

# VAHH CHEMICALS LIMITED

## DIRECTORS' REPORT 2021-22

To,  
The Members  
VAHH CHEMICALS LIMITED

Your directors present their 3<sup>rd</sup> Annual Report on the affairs of your company for the year ended 31/03/2022 along with audited statement of accounts, reports of the auditors and the directors thereon.

### **FINANCIAL RESULTS**

(₹ in Lakhs)

Particulars	2021-22	2020-21
Gross Income	501.83	460.47
Total Expenditure	479.94	417.60
Profit/ (Loss) before tax	21.89	42.87
Provision for Tax Both Deferred and Current	6.53	11.85
Profit/ (Loss) after tax	15.36	31.02
Add: Balance Brought Forward	30.93	(0.09)
Carried to Balance Sheet	46.30	30.93

### **STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK**

During the year under review, your Company has posted higher gross income of ₹ 501.83 Lakhs as compared to gross income of ₹ 460.47 Lakhs in the corresponding previous year. However, due increase in the employees benefit expenditure during the year under review, your company's net profit has declined to ₹ 15.36 Lakhs from net profit of ₹ 31.02 lakhs in the corresponding previous year.

### **CHANGE IN NATURE OF BUSINESS, IF ANY**

During the year under review, there has been no change in nature of business.

### **DIVIDEND**

In view of the requirement of the profits for strengthening the business, your directors do not recommend any dividends on the Equity Shares of the company for the year under review. The balance amount of profit is carried to Balance Sheet under the head of "Reserve and Surplus".

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

Since there was no unpaid/unclaimed Dividend on the books or any Unpaid Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply to your company.

### **TRANSFER TO RESERVES**

For the financial year ended 31<sup>st</sup> March, 2022, your Company has not proposed to carry or transfer any amount to the General Reserve Account or any other reserve.

### **INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY**

During the year under review no other company/ies have either become or ceased to be its Subsidiary, Joint venture or Associate Company/ies

### **CHANGES IN SHARE CAPITAL**

During the year under review, there was no change in the capital structure of your company. Other requisite details are as under.

<b>Buy Back of Securities</b>	<b>Sweat Equity</b>	<b>Bonus Shares</b>	<b>Employees Stock Option Plan</b>
Nil	Nil	Nil	Nil

### **NUMBER OF BOARD MEETINGS**

As required by clause (b) of sub-section (3) of Section 134 of the Companies Act, 2013, your directors report that during the Financial Year 2021-22, the Company held 5 meetings of the Board of Directors as per Section 173 of Companies Act, 2013. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There were no loans, guarantees or investments made by the company under section 186 of the Companies Act, 2013 during the year under review and hence furnishing the above information is not applicable

### **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and on the date of this report.

### **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Since your company does not fall into mandatory criteria of implementing Corporate Social Responsibility (CSR) no details are required to be furnished.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

The Company has not entered into any related parties transactions as defined under Section 188 of the Companies Act, 2013 with related parties as covered under Section 2 (76) of the said Act. Hence no details are required to be given in Form AOC-2.

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

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

As required by Section 134(3)(m) read with the Companies (Accounts) Rules, 2014, your directors report as under:

#### **(A) Conservation of Energy**

- (i) Steps taken / impact on conservation of energy, with special reference to the following: Nil
- (ii) Steps taken by the company for utilizing alternate sources of energy including waste generated: Nil
- (iii) Capital investment on energy conservation equipment: Nil

#### **(B) Technology absorption:**

1. Efforts, in brief, made towards technology absorption.
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:
- Details of technology imported.
  - Year of import.
  - Whether the technology has been fully absorbed
  - If not fully absorbed, areas where absorption has not taken place, and the reasons therefore.
4. Expenditure incurred on Research and Development: Rs Nil

**(C) Foreign exchange earnings and Outgo**

	Current year	Previous Year
Earnings	Nil	Nil
Outgo	Nil	Nil

**DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

**DIRECTORS**

There was no director who was appointed/ceased/re-elected/reappointed during the year under review. Pursuant to the Rule 8 of the Companies (Appointment and Remuneration of Managerial personnel) 2014, Your Company is not mandatorily required to appoint any whole time Key Management Personnel (KMP). Pursuant to provisions of Section 152 of the Companies Act, 2013, Mrs. Hetal Desai retires by rotation and being eligible, offers herself for reappointment.

**STATUTORY AUDITORS**

The Auditors, M/s Rasesh Shah & Associates, Chartered Accountants were appointed at the Annual General Meeting of year 2020 for a period of next five years from that AGM, covering Financial Years 2020-21 to 2024-25.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

Your directors report that your company does not have any details in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government, as required under Section 134(3)(ca) of the Companies Act, 2013.

Your company has installed adequate internal financial controls with reference to the Financial Statements as reported by Auditors for the year ended 31<sup>st</sup> March, 2022.

**EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS**

There are no explanations /comments made by the auditors requiring any reply relating to such qualifications, reservations or adverse remarks made in their report.

**DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the companies Act, 2013, your directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors have prepared the annual accounts on a going concern basis;
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **RISK MANAGEMENT**

Your company is considering study of risks threatening its existence and proper policy to counter the same would be evolved and implemented in due course of time.

#### **INTERNAL COMPLAINTS COMMITTEE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK-PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

Your company is not required to constitute Internal Complaints Committee. No complaint was made under the said law during the year under review, hence your company has no particulars to offer.

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

No significant or material order has been passed against the company by any regulators, courts, tribunals impacting the going concern status and Company's operations in future.

#### **WHETHER MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013, IS REQUIRED BY THE COMPANY.**

The Maintenance of Cost Records are not applicable to the company for the year under consideration.

#### **DISCLOSURES UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)**

No application made or any proceedings pending against the company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review hence the company has no details to offer.

#### **ACKNOWLEDGMENT**

Your directors wish to place on record their sincere appreciation to all concerned.

For and on Behalf of the Board

*Hiren 2. Desai*

*H. H. Desai*

Hiren Desai  
Director

DIN: 08622752

Hetal Desai  
Director

DIN:08622843

Date: 07/09/2022

Place: Surat