

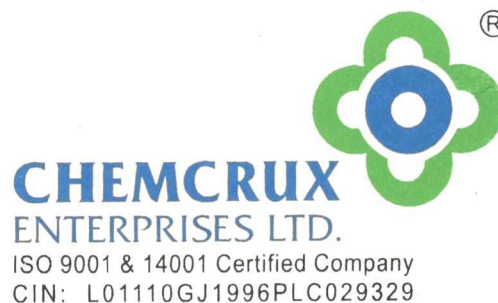
Regd. Office :-

330, TRIVIA Complex, Natubhai Circle,
Racecourse, Vadodara – 390007, Gujarat, INDIA

Phone : +91 265 2988903 / 2984803

Website : www.chemcrux.com

Email : girishshah@chemcrux.com



Date : 22nd August 2019

To,
Corporate Relations Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001

Dear Sir / Madam,

Sub: Annual Report for the F.Y. 2018-19
Ref : CHEMCRUX BSE Scrip Code : 540395

Pursuant to Regulation 30 read with Event 12 of Part A para A of Schedule III and Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith our Annual Report for the financial year 2018-19, which, inter-alia contains the Notice of the 23rd Annual General Meeting of the Company to be held on Tuesday, the 17th September, 2019. Copies of this Annual Report are being mailed / dispatched to our shareholders and others entitled to receive it and the same is also available on our website viz., www.chemcrux.com.

Thanking you,

Yours faithfully,

For CHEMCRUX ENTERPRISES LIMITED

A handwritten signature in blue ink that reads "Ekta Kumari".

Ekta Kumari Srivastava
Company Secretary



Factory

4712-14, GIDC, Road South - 10, Ankleshwar - 393002 (Gujarat) India.
Ph.: +91 2646 221427, 239737 | Email : sanjay@chemcrux.com



CHEMCRUX
ENTERPRISES LTD.



Nurturing growth

ANNUAL REPORT
2018-19

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Girishkumar C. Shah - Chairman & Whole Time Director
 Mr. Sanjay Y. Marathe - Managing Director
 Mrs. Sidhdhi G. Shah - Director
 Mrs. Neela S. Marathe - Director
 Mr. Shailesh Patel - Independent Director
 Mr. Bhanubhai V. Patel - Independent Director

KEY MANAGERIAL PERSONNEL

Mr. P.V. Tiwari - CFO
 Mrs. Ekta Kumari - Company Secretary

BANKERS:

Kotak Mahindra Bank Limited

REGISTERED OFFICE:

*330, TRIVIA Complex
 Natubhai Circle, Racecourse,
 Vadodara- 390 007 INDIA
 Ph: +91-0265-2984803/2988903
 *w.e.f 24th May, 2019

WORKS :

4712-14, GIDC
 Road South 10,
 Ankleshwar – 393002
 Gujarat, INDIA

BOARD COMMITTEES

Audit Committee

Mr. Shailesh Patel (Chairman)
 Mr. Bhanubhai Patel
 Mrs. Neela Marathe

Remuneration Committee

Mr. Bhanubhai Patel (Chairman)
 Mr. Shailesh Patel
 Mrs. Sidhdhi Shah

Stakeholders Relationship Committee

Mr. Shailesh Patel (Chairman)
 Mr. Bhanubhai Patel
 Mrs. Sidhdhi Shah

AUDITORS

Statutory Auditors:

R.J. Shah & Associates, Chartered Accountants
 D- 408, Avishkar Complex,
 Old Padra Road
 Vadodara-390 015

Internal Auditors:

Naresh & Co., Chartered Accountants
 City Enclave, Opp. Polo Ground
 Vadodara – 390001

Secretarial Auditors:

Kashyap Shah & Co.
 B 203, Manubhai Tower
 Sayajigunj, Vadodara -390005

Registrar & Share Transfer Agent:

Bigshare Services Private Limited
 1st Floor, Bharat Tin Works Building,
 Opp. Vasant Oasis,
 Makwana Road, Marol ,
 Andheri – East, Mumbai – 400059
 E-mail id: info@bigshareonline.com

WEBSITE : www.chemcrux.com

CIN : L01110GJ1996PLC029329

Investors Relations Mail ID :

companysec@chemcrux.com

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CHEMCRUX ENTERPRISES LIMITED



CHEMCRUX ENTERPRISES LIMITED

CIN: L01110GJ1996PLC029329

Regd. Office: 330, TRIVIA Complex, Natubhai Circle, Racecourse Vadodara - 390007

Factory Office: 4712-14, GIDC, Road South 10, Ankleshwar-393 002, (Gujarat) INDIA

Ph: +91-0265-2984803/2988903

Email: girishshah@chemcrux.com Website: www.chemcrux.com

NOTICE

NOTICE is hereby given that the Twenty Third (23rd) Annual General Meeting of members of **CHEMCRUX ENTERPRISES LIMITED** (the Company) will be held on Tuesday, the 17th day of September, 2019 at 02:00 p.m. at the registered office of the Company at 330, TRIVIA Complex, Natubhai Circle, Racecourse, Vadodara 390007, in the State of Gujarat to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 including the Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss and Cash Flow for the year ended on that date together with the reports of the Board of Directors and Auditors thereon and in this regard pass the following resolution as an ordinary resolution:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the report of the Board of Directors and the Auditors thereon laid before the meeting, be and are hereby received, considered, approved and adopted."

2. To declare dividend for the financial year ended 31st March, 2019 at the rate of 5% (Rs. 0.50 per Equity Share) and in this regard pass the following resolution as an ordinary resolution :

"RESOLVED THAT dividend of Rs. 0.50 per equity share (5%) on 49,36,280 equity shares of the Company be and is hereby declared to the equity shareholders of the Company whose name appear in the Register of Members on 10th September, 2019, out of the profits of the Company for the year ended on 31st March 2019."

3. To re- appoint the retiring director Mrs. Siddhi G. Shah (DIN: 00469138), who retires by rotation and being eligible, offers herself for re-appointment and in this regard to pass the following resolution as an ordinary resolution :

"RESOLVED THAT Mrs. Sidhdhi G. Shah (DIN: 00469138), Director of the Company, who retires by rotation at this Annual General Meeting in accordance with section 152 of the Companies Act, 2013 and being eligible for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."

**By order of the Board of Directors
For CHEMCRUX ENTERPRISES LIMITED**

Place: Vadodara

Date: 17th August, 2019

Sd/-

**Ekta Kumari Srivastava
Company Secretary**

NOTES:

1. **The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday 11th September, 2019 to Tuesday 17th September, 2019 (both days inclusive) for annual book closing and record date shall be as on Tuesday, 10th September, 2019 for determining the entitlement of shareholders to the final dividend. The cut off date shall be as on Tuesday 10th September, 2019 to determine the shareholders entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.**
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS**



THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

3. The instrument appointing the proxy (duly completed, stamped and signed) must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.
4. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 details of director retiring by rotation at the ensuing annual general meeting is given in annexure to this notice.
5. Subject to the provisions of section 126 of the Companies Act, 2013, dividend as recommended by the Board of Directors for the year ended 31st March, 2019, if declared, will be payable to those Members, whose names appear in the Register of Members as at the close of business on 10th September, 2019 and in respect of shares held in dematerialised form, as per the list of beneficial owners furnished to the Company by NSDL/CDSL, as at the close of business on 10th September, 2019.

5.1 In respect of shares held in electronic/demat form, beneficial owners are requested to notify any change in their address, bank account, mandate, etc. to their respective Depository Participant.

6. M/s. Bigshare Services Private Limited, the Registrar and Transfer Agent (RTA) having their administrative office situated at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol Andheri – East, Mumbai – 400059 in the State of Maharashtra, is handling registry work in respect of shares held both in physical form and in electronic/demat form. All requests for transfer of Equity Shares and allied matters along with the relevant transfer deeds and shares certificates should be sent either to the RTA or at the registered office of the Company.
7. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
8. Members/Proxies/Representatives are requested to bring the attendance slip enclosed to the annual report /notice for attending the meeting.
9. Members are requested to intimate the Company of queries, if any, regarding the accounts / notice at least ten days before the Annual General Meeting to enable the Management to keep the information ready at the meeting.
10. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the registered office of the Company during normal business hours (9.30 a.m. to 5.00 p.m.) on all working days except Sundays, upto and including the date of Annual General Meeting of the Company.
11. **Green Initiative – Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically. Members may also note that Annual Report for the FY 2018-19 will also be available on the website of the Company viz. www.chemcrux.com.**

12. VOTING THROUGH ELECTRONIS MEANS :

- i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. **The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).**



- ii. The facility for voting through ballot paper shall also be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- iii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iv. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting through ballot paper.
- v. The process and manner for remote e-voting are as under:
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>
Step 2: Cast your vote electronically on NSDL e-Voting system

vi. Details on Step 1 is mentioned below :

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 Shareholders' section.
3. A new section will open. You will have to enter your User ID, your Password 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. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.



- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address
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.
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.
- Details on Step 2 is given below :**
- How to cast vote electronically on NSDL e-voting system?**
1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
 3. Select "EVEN" of company for which you wish to cast your vote.
 4. Now you are ready for e-Voting as the Voting page opens.
 5. 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.
 6. Upon confirmation, the message "Vote cast successfully" will be displayed.
 7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).



- VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 10th September, 2019.
- IX. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 10th September, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or companysec@chemcrux.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- X. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XI. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” or “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

GENERAL INSTRUCTIONS :

- a. The e-voting period commences on Saturday, 14th September, 2019 (09:00 a.m. IST) and ends on Monday, 16th September, 2019 (5:00 p.m. IST). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 10th September, 2019, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b. Mr. Kashyap Shah, Practicing Company Secretary (Membership No. FCS 7662), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- c. The Scrutinizer shall, after the conclusion of voting at the General Meeting, first count the votes cast at the Meeting and unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make not later than three days of the conclusion of the AGM a Consolidated Scrutinizer’s Report of the total votes cast in favour or against and invalid votes if any, forthwith to the Chairman of the Company or the person authorized by him, who shall countersign the same and declare the result of the voting forthwith.
- d. 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 kashyap.cs@gmail.com with a copy marked to evoting@nsdl.co.in.
- e. **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.**
- f. 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.: 1800-222-990 or send a request at evoting@nsdl.co.in

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny. The result of the voting on the Resolutions at the Meeting shall be announced by the Chairman or any other person authorized by him immediately after the results are declared. The results declared along with the Scrutinizer’s report, will be posted on the website of the Company www.chemcrux.com and on the website of NSDL immediately after the declaration of the result by the Chairman or any person authorised by him and communicated to the Stock Exchanges.



13. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

By order of the Board of Directors
For CHEMCRUX ENTERPRISES LIMITED

Place: Vadodara
Date: 17th August, 2019

Sd/-
Ekta Kumari Srivastava
Company Secretary

Registered Office :
330, TRIVIA Complex
Natubhai Circle, Racecourse
Vadodara - 390007

Annexure - I

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting.
(PURSUANT TO REGULATION 36(3) of THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

Name of Director	Sidhdhi G. Shah
Date of Birth	18/01/1961
Date of Appointment	31/12/1999
Expertise in Specific Functional Area	Management & Administration
Qualifications	B.Sc (Phsio)
Directors in other public limited companies	NIL
Other positions	NIL
Membership of committees in other public limited companies	NIL
Inter relationship	Promoter Group
Shares held in the company	40

**BOARD'S REPORT**

Your Directors have pleasure in presenting the 23rd Board Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March 2019.

1. FINANCIALS:

[Rupees in Lacs]		
PARTICULARS	2018-19	2017-18
Revenue from Operations	5527.31	3146.47
Other Income	49.47	29.52
Total Revenue	5576.78	3175.99
Less: Expenses before Interest and Depreciation	4185.74	2673.55
Less: (a) Interest	28.04	31.09
(b) Depreciation	125.59	67.02
Profit before Tax & Extra Ordinary Items	1237.41	404.33
Less : Prior period expenses	-	-
Less: Prior year's Income Tax Adjustment	2.65	-
Profit Before Tax	1234.76	404.33
Less: Tax Expenses		
Current Tax	385.00	104.11
Deferred Tax	(81.79)	63.89
Profit after Tax	931.55	236.32
Earnings per Share	18.87	4.79

2. KEY FINANCIAL RATIOS :

Sr. No.	Particulars	FY 18-19	FY 17-18	% Change
1	Debtors Turnover Ratio	6.42	5.9	8.81
2	Inventory Turnover Ratio	13.45	10.15	32.51
3	Interest Coverage Ratio	45.13	14.01	222.13
4	Current Ratio	2.22	1.76	26.14
5	Debt Equity Ratio	0.09	0.2	-55.00
6	Operating Profit Margin (%)	24.66	14.98	64.62
7	Net Profit Margin (%)	16.85	7.51	124.37
8	Return on Networth %	39.24	16.38	139.56

The Key financial ratios have strengthened during the previous year FY19 with Operating Profit Margin, Net Profit Margin and Return on Networth improving due to better sales realization, increase in profitability coupled with declining operational costs. The Debtor's and Inventory Turnover ratio has also improved due to better debt realization and better inventory management and stock turnover. The decline in Debt Equity Ratio demonstrates that your Company is less leveraged and operating with minimal borrowed fund.

3. DIVIDEND:

Dividend is recommended by your Board taking into consideration the factors like overall profitability, cash flow, capital requirements and other business needs of your company. With this background, your Board of Directors is pleased to recommend a dividend at Rs. 00.50/- per equity share (5%) on 49,36,280 equity shares of Rs.10/- each of your company. This would result in a total outflow of Rs. 29,75,590/- including the sum of Rs. 5,07,450/-, as dividend tax.

4. OPERATIONAL HIGHLIGHTS:

Your Company's Revenue increased to Rs. 55.77 crore in FY19 as compared to Rs. 31.76 crore in previous year FY18 recording a growth of about 76% (YoY). The Net profit of the Company registered a growth of



CHEMCRUX ENTERPRISES LIMITED



about 294% rising from Rs. 2.36 crore in FY 18 to 9.32 crores in FY 19. Key factors, which can be attributed to higher topline & bottomline growth in FY19 vis-a-vis FY18 are : FY19 had full 12 months operational period vis-à-vis only 10 months in FY18. During the year, production capacity was optimally utilised. The growth in revenue was attributable to increase in production due to full year working, profitable product selection, and better pricing of our niche products which amounted to approx. 20% share in the revenue growth.

Your Company's financial highlights during preceding three years period can be summarized as follows :

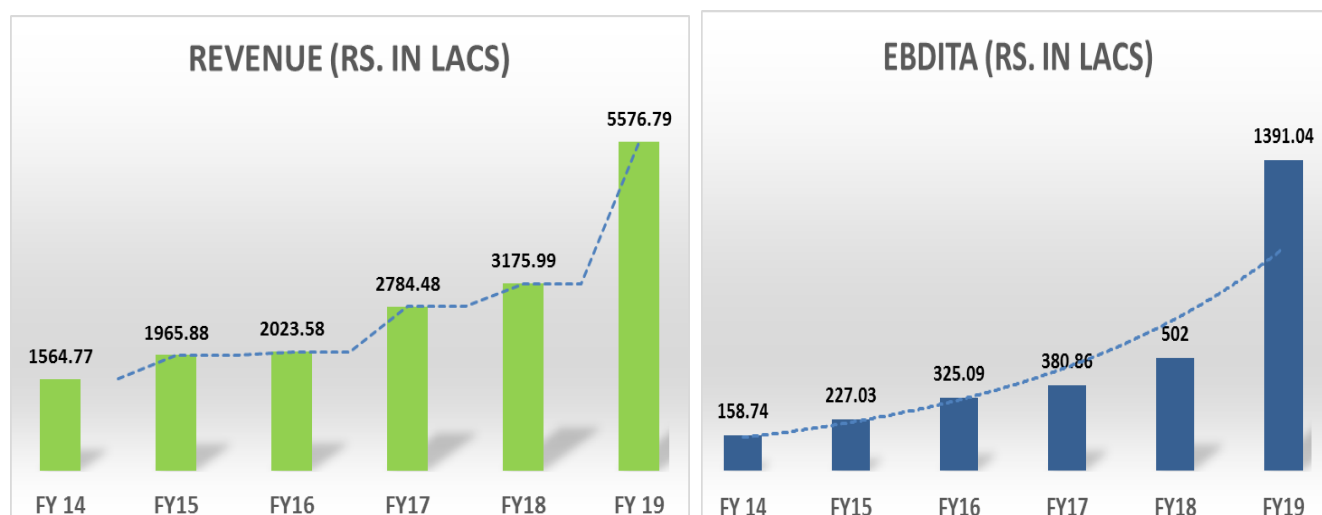
	FY16-17	FY 17-18	FY 18-19	% increase (1 year)	% increase (3 years)	CAGR% (3 years)
Turnover	2784.48	3175.99	5576.79	76	100	26.05
EBDIT	380.07	502.44	1391.04	177	266	54.11
Profit before Tax	285.44	404.33	1234.76	205	333	62.94
Net Profit	149.83	236.32	931.55	294	522	83.88
EPS	5.15	4.79	18.87	294	266	54.17

Net profit increased to Rs. 9.32 crores in FY19 compared to Rs. 2.36 crore during the same period of last year, representing about 294% growth in profits..

EBIDT increased to Rs. 13.91 crores from Rs. 5.02 crore as compared to same period last year recording a growth of about 177%.

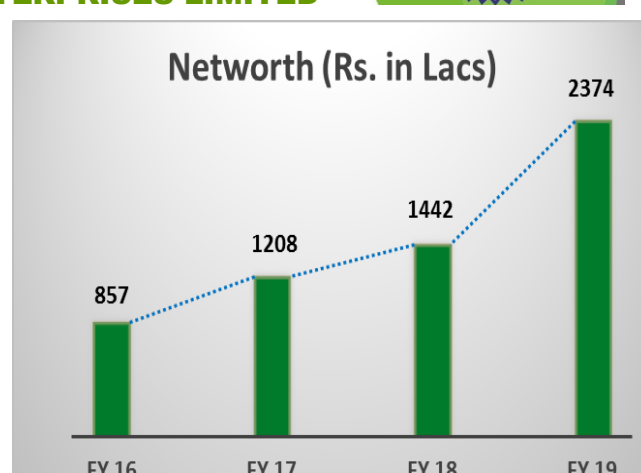
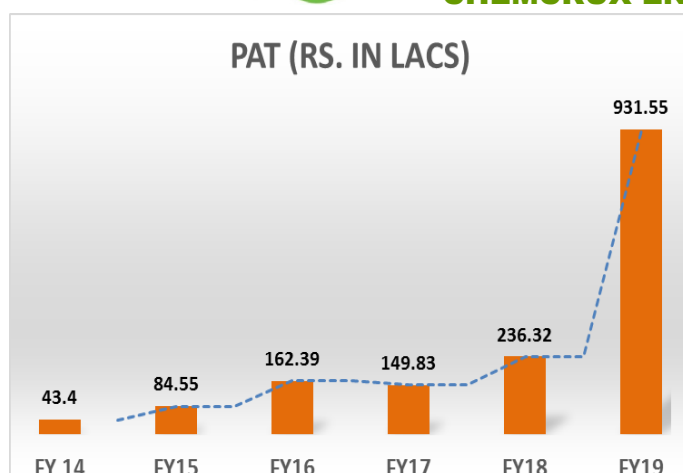
Earning per Share increased from Rs. 4.79 per share in the FY 18 to Rs. 18.87 per share in the FY 19 registering a growth of about 294%.

KEY FINANCIALS CHART – GROWTH OVER 6 YEARS PERIOD



Revenue grew from Rs. 15.65 crores to Rs. 55.76 crores registering a growth of 256% and EBDITA increased from Rs. 1.59 crores to Rs. 13.91 crores registering a growth of about 776 % over the period of 6 years.

PAT has risen from Rs. 43.4 Lacs in FY14 to Rs. 9.32 crores and Networth increased from Rs. 8.57 crores in FY16 to Rs. 23.74 crores in FY 19 registering a growth of around 177%.



5. SHARE CAPITAL:

At present, the Company has only one class of share – Equity shares of face value of Rs. 10 each. The authorized share capital of the company is Rs. 6,00,00,000/- divided into 60,00,000 equity shares of Rs. 10 each. The paid up share capital of the company is Rs. 4,93,62,800/- divided into 49,36,280 equity shares of Rs. 10 each. The Company had raised fund through Public Issue of shares in F/Y 2016-17 and the equity shares of the Company are now listed on SME platform of BSE Limited.

6. TRANSFER TO RESERVE:

The Company proposes to transfer Rs. 9,16,67,237 to its General Reserve.

7. CREDIT FACILITIES:

The Company has been optimally utilizing its fund based and non fund based working capital requirements as tied up with Kotak Mahindra Bank Limited. The Company was comfortable in meeting its financial requirements from Kotak Mahindra Bank Limited. Effective financial measures have been continued to reduce cost of interest and bank charges.

8. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

There was no amount outstanding to be transferred as unclaimed dividend to investor education and protection fund during the FY 2018-19.

9. MATERIAL EVENTS OCCURING AFTER BALANCE SHEET DATE :

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statement relate and the date of the Board Report. However, the Registered office of the Company was shifted within the city from T-7, National Plaza, R.C. Dutt Road, Alkapuri, Vadodara to the present location at 330, TRIVIA Complex, Natubhai Circle, Racecourse, Vadodara 390007, Gujarat with effect from 24th May 2019.

10. ORDER OF AUTHORITIES :

During the year 2018-19, order of Regional Director dated 13/03/2019, Ahmedabad was received for condonation of delay in filing Form CHG 4 for satisfaction of Charges in respect of SBI Charges No. 90112580, 9011266, 90112878 and 10095499. A penalty of Rs. 10,000/- per form was also levied for late filing of the satisfaction of the above charges. The Company thereafter filed the necessary forms for satisfaction of abovementioned charges and as on April 1, 2019 the Charges were satisfied by the order of ROC Ahmedabad. Other than the above mentioned order, no other order of any government, state, local or statutory authorities were received which could have affected the workings of the company.

**11. 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) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished as under:

(A) Conservation of energy:

Steps taken / impact on conservation of energy, with special reference to the following:

Steps taken by the company for utilizing alternate sources of energy including waste generated :

During the year your Company was selected for Implementation of **Bureau of Energy Efficiency – World Bank** Funded Project: Implementation of ISO 50001:2018 Energy Management System. CII - Centre of Excellence, for Competitiveness for SMEs has assigned a unique project fully funded by Bureau of Energy Efficiency and World Bank titled **“Design & Implementation of Energy Management System (ISO 50001)”. After successful implementation and Certification as ISO 50001 Certified Organisation – your Company would be energy efficient company.**

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

The Company has not entered into any technology based ventures during the year under review. However the Company's digitisation of processes of purchase, sales, marketing, finance & accounts and other operations supported by Tata Consultancy Services, TCS -ION was completed in the last year. The ERP module is aimed to bring about digitization, uniformity, systemic checks, approval mechanism, comprehensive reporting in the Manufacturing, Finance and Accounts, Human Resource Management, Export & Import, Sales, Procurement, Operations functions etc. of the Company thereby enabling smooth and timely flow of data and reports.

In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

The Company has not imported any technology and hence not applicable.

2. Expenditure incurred on Research and Development :

The Company has not incurred any expenditure on research and development.

(C) Foreign exchange earnings and Outgo:

PARTICULARS	Amt (In Lacs)
Foreign Exchange earned in terms of actual inflows during the year	588.52
Foreign Exchange outgo during the year in terms of actual outflows	626.53

12. RISK MANAGEMENT:

The Company has framed a sound Risk Management Policy to identify and evaluate business risks and opportunities and the same has become integral part of Company's day to day operations. The key business risks identified by the Company are as follows viz. Industry Risk, Management and Operations Risk, Market Risk, Government Policy risk, Liquidity risk, and Systems risk. The Company has in place adequate mitigation plans for the aforesaid risks.

13. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The provisions of Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2013 was not applicable to the company during the year 2018-19. However it has become applicable to the Company from the current financial year 2019-20. Hence, a Corporate Social



Responsibility Committee has been constituted by the Board of Directors at their meeting held on August 17, 2019. The Committee shall consist of directors, Mr. Sanjay Marathe, Mrs. Sidhdhi G. Shah and Mr. Shailesh Patel (Independent Director). The CSR Committee shall formulate and recommend to the Board, the Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subjects specified in schedule VII of the Companies Act, 2013.

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

There were no loans or guarantees given by the Company under Section 186 of the Companies Act, 2013 during the year under review. Investments in short term UTI Mutual Fund schemes were made during the year which was within the limits approved by Board of Directors and the limits prescribed under section 186 of the Companies Act, 2013.

15. RELATED PARTY TRANSACTIONS:

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Board Meeting as per the omnibus approval of Audit Committee and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as Annexure II.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its related parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the Listing Regulations. This policy has been uploaded on the website of the Company at www.chemcrux.com/investor-info.php under investors info/Corporate Policy link.

16. DIRECTORS / KEY MANAGERIAL PERSONNEL:

During the year, Whole Time Director, Mr. Girishkumar Shah and Managing Director, Mr. Sanjay Marathe were re-appointed for a term of five years starting from January 1, 2019 till December 31, 2023. No directors were appointed or have resigned during the year. Mrs. Ekta Kumari Srivastava, Company Secretary joined office w.e.f. May 8, 2018.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mrs. Sidhdhi G. Shah, Director shall retire by rotation in the ensuing Annual General Meeting and being eligible for re-appointment has offered her candidature for director. Excepting Mrs. Sidhdhi G. Shah and Mrs. Neela Marathe, whose transactions with the company have been reported under the related parties disclosure under notes to the accounts, none of the other non-executive directors has had any pecuniary relationship or transactions with the company, other than the receipt of sitting fee for the meetings of the Board and Committees thereof attended by them.

➤ BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried an annual performance evaluation of its own performance and the directors individually.

➤ REMUNERATION POLICY:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining, qualifications, positive attributes and independence of a Director and also a policy for remuneration of directors, key managerial personnel and senior management. The policy is available at the website of company at www.chemcrux.com/investor-info.php.

➤ MEETINGS:

During the year six Board Meetings and four Audit Committee Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.



➤ **DECLARATION OF INDEPENDENT DIRECTORS:**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

17. AUDIT COMMITTEE AND VIGIL MECHANISM:

The Audit Committee comprises of Mr. Shailesh Patel- Independent Director, Mr. Bhanubhai Patel-Independent Director and Mrs. Neela Marathe – Non Executive Director. During the year four Audit Committee Meetings were held. In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at <http://www.chemcrux.com/investor-info.php>.

18. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have 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 have 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; and
- (e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. ANNUAL RETURN:

Extract of Annual Return of Company pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 has been placed at website of the Company. Weblink of the same is as <http://www.chemcrux.com/investor-info.php>

20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint venture or Associate Company.

21. DEPOSITS:

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

22. AUDITORS:

➤ **STATUTORY AUDITORS**

The Company's Auditors M/s. R.J. Shah & Associates has been appointed as the Statutory Auditor of the Company at the 22nd Annual General Meeting until conclusion of 27th Annual General Meeting of the Company for a term of five years. The report of the Statutory Auditors of the Company is annexed herewith as "Annexure"

➤ **SECRETARIAL AUDIT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/S. Kashyap Shah & Co., a Practicing Company Secretaries to undertake the Secretarial



Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure".

➤ **INTERNAL AUDITORS:**

The Company has appointed Naresh & Co. as the Internal Auditors.

23. OBSERVATION OF AUDITORS:

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors and Secretarial Auditors. The auditors have not reported any frauds under sub section 12 of section 143 other than those which are reportable to the Central Government.

24. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorised, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

25. SHARES:

- a. BUY BACK OF SECURITIES:** The Company has not bought back any of its securities during the year under review.
- b. SWEAT EQUITY:** The Company has not issued any Sweat Equity Shares during the year under review.
- c. BONUS SHARES:** The Company has not issued any bonus share during the year under review.
- d. EMPLOYEES STOCK OPTION PLAN:** The Company has not provided any Stock Option Scheme to the employees.
- e. FRESH ISSUE OF SHARES:** The Company has not issued any shares during the year under review.

26. CORPORATE GOVERNANCE:

Provisions relating to Corporate Governance Report under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to SME listed Company hence the same has not been annexed to the Board's Report.

27. AWARDS AND RECOGNITIONS :

Your company has already achieved ISO Certification ISO 9001:2018 for Quality Management System Standard, ISO 14001:2018 for Environmental Management System Standard. Your company has been conferred with the prestigious SKOCH Order of Merit Award for being among top 200 MSMEs of India. The award was conferred at the 57th SKOCH Summit held on 23rd March, 2019 at Constitution Club of India, New Delhi.

28. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report is appended as Annexure to this Report.

29. PARTICULARS OF EMPLOYEES:

Disclosure under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.
Ratio of remuneration of MD and Whole Time Director – 12.38 : 1 (Rs. 42,00,000 : 3,39,123)
Other Directors – Not Applicable



- b) The percentage increase in the remuneration of each director, Chief Executive Officer, Chief Financial Officer and Company Secretary, if any in the financial year – **During the FY 2018-19 there was 40 % increase in remuneration of WTD and MD. There was Nil % increase in the remuneration of CFO ,CS and other Non Executive Directors.**
- c) The percentage increase in the median remuneration of employees in the financial year – **Median Remuneration is Rs. 3,39,123 and average increase is 15% for the F.Y. 2018-19.**
- d) The number of permanent employees on the rolls of the Company as on 31.03.2019 – **62**
- e) 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 – **Average 15% increase in salaries of Employees and 40 % increase in Managerial Remuneration during F.Y. 2018-19. The increase in remuneration of managerial person is commensurate with the efforts put in by them in leading the Company to greater heights.**
- f) Affirmation that the remuneration is as per the remuneration policy of the company.
The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through the compensation package, the company endeavors to attract, retain, develop and motivate high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. **The Company affirms that the remuneration is as per remuneration policy of the Company.**
- g) Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with reference to remuneration of employees in excess of the limits prescribed – **None of the employees were in receipt of remuneration above 8 lakh 50 thousand per month or Rs. One crore Two lakhs per annum and above.**

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

The Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary, trainees) are covered under this policy. An Internal complaint committee is formed to look after any complaints of women employees. During the year four meetings of internal committee for prevention prohibition and redressal of sexual harassment of women at workplace were held. No complaints for sexual harassment were received during the year.

31. COST AUDIT:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 dated 31/12/2014, cost audit and maintenance of cost records was not applicable to the Company for the Financial Year 2018-19. However the maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is applicable to the Company from the current FY 2019-20 and accordingly such records are being maintained,

32. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS :

The Company has complied with the provisions of Secretarial Standards (I & II) issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013.

**33. HUMAN RESOURCES:**

During the period under review, the personal and industrial relations with the employees remained cordial in all respects. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The Company recognizes talent and has judiciously followed the principle of rewarding performance.

34. CAUTIONARY STATEMENT :

Statements in these reports describing company's projection statements, expectations and hopes are forward looking. Though, these are based on reasonable assumption, the actual results may differ.

35. ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their relentless support and confidence reposed on the Company.

**For and on behalf of the Board of Directors
CHEMCRUX ENTERPRISES LIMITED**

**Place: Vadodara
Date: 17th August, 2019**

**Sd/-
GIRISHKUMAR SHAH
CHAIRMAN**

**2.1 Annexure- to the Board's Report 2018-19****Management Discussion and Analysis****1. INDUSTRY STRUCTURE & DEVELOPMENTS:**

India's GDP has been consistently growing at more than 7% since past three years and is expected to grow at 7.8% in 2019. In absolute terms, Indian economy will reach US\$ 6.7 Tn by 2030 with 6% real GDP growth rate making it 3rd largest economy after China and US. The growth is expected to gradually rise with continued implementation of structural reforms that raise productivity, private consumption investments. Exports are expected to go up with India setting up a roadmap to boost bilateral trade. With various reform initiatives undertaken by the government, India ranked 77th among 190 countries by leapfrogging 23 ranks in World Bank's Ease of Doing Business 2018 rankings.

1.1 CHEMICAL INDUSTRY : GLOBAL & INDIAN

The year 2018 represented an upcycle in global chemical markets - characterized by robust demand, tight supply, and strong profitability. The chemical industry is expected to experience a sales growth of 6-8% in 2019. A rise in demand is expected to be witnessed by the chemical industry. The future output index of chemical industry reached a 37-month high during March, 2019 indicating that an output growth will be seen by the industry. At the same time, many risks are developing that represent potential drags on global growth. Key issues include rising crude oil prices, domestic fiscal policy and currency fluctuations, geopolitical tensions, and a variety of trade disputes. The U.S China trade war is helping Asian companies to win long term contracts from end users in U.S and in U.K / Europe

DOMESTIC

Chemical industry is the mainstay of industrial and agricultural development of the country and provides building blocks for several downstream industries such as textiles, papers, paints, soaps, detergents, pharmaceuticals, varnish etc. Covering more than 80,000 products, this industry services large number of end use application industries. In India it is estimated that more than 2 Mn people are employed in this industry. The current per capita consumption of chemical products in India is about 1/10th of the world average, indicating that the demand potential is yet to be realized. Moreover, India has a very strong outlook for the key end user industries. The country's chemical industry is expected to grow at around 9 per cent per annum to reach \$304 billion by FY25, from 163 billion in FY18. Going ahead, it is estimated that the demand of chemical products is expected to grow at 9% p.a. over the next five years and is pegged at 1.2X GDP growth.

1.2 SPECIALITY CHEMICALS INDUSTRY : GLOBAL & INDIAN

The global specialty chemical market is anticipated to grow at a CAGR 5.30% over the forecast period of 2019-2027. The major drivers for the growth of this market are the increasing popularity of eco-friendly products, economic growth in the APAC regions, growing focus on sustainability and surge in research & development expenditure of specialty chemicals. The Asia Pacific region which includes countries like China, Japan, India, Australia, and South Korea is anticipated to hold the largest share of the market by the year 2025. This is because the demand for specialty chemicals like construction chemicals, plastic additives, pharmaceutical ingredients, and pigments is increasing in this region.

DOMESTIC

India's position as a manufacturing hub for specialty chemicals strengthened following an increasing shift in manufacturing capacities to Asia, following a weakening in Chinese exports and a sustained improvement in India's competitiveness. The road map appears promising as India's chemical industry is poised for robust growth and investment on the back of solid domestic demand and robust export market. Key reform initiatives like the Government's 'Make in India' and National Chemical Policy are aligned to boost investments in the country enabling framework to accelerate manufacturing of chemicals in order to meet growing internal and external demands as well as reduce dependence on imports.

Strict pollution norms have disrupted and slowed down chemical production in China. Companies are either being shifted to dedicated areas or restrictions are being placed on production. Either of these has the potential to increase costs of manufacturing for Chinese firms. Companies that previously sourced



from China are now looking for alternate supply sources like India. “China’s pain is India’s gain. The decline in supply from China offers immense opportunity for Indian players to ramp up their supply to the world market and explore new markets for sustained exports.

1.3 ACTIVE PHARMA INGREDIENTS (API) INDUSTRY: GLOBAL & INDIAN

The spending on healthcare has grown at a rapid pace in recent years worldwide and this has directly benefited the Active Pharmaceutical Ingredients (API) market. According to Statistics MRC, the Global Active Pharmaceutical Ingredients market is expected to grow from \$129.12 billion in 2015 to reach \$198.8 billion by 2022 with a CAGR of 6.4%. Growth in healthcare adoption has benefited the API market immensely. Rising affordability, enhanced life expectancy and improved standard of living are all providing impetus to the demand for pharmaceuticals. However, major regulatory changes in the United States and Europe along with rising labor costs in China are set to change the API landscape. As patterns in developed regions continue to remain flat and opportunities for growth shift from traditional markets, the API industry is expected to witness the rise of second wave emerging markets in countries such as Brazil, Mexico, South Korea, Taiwan and India.

DOMESTIC

API manufacturers in India are making efforts to strengthen their marketing capacity in the regulated markets by improving production yields, modifying production processes, and increasing sales in the international markets. More than 30% of the APIs manufactured in India are exported to countries such as US, UK, Japan, etc. This market is forecasted to grow at a CAGR of around 9% during the period of FY 2016–FY 2022. The ongoing global drug patent cliff is slated to further boost the revenues of API market in India. Moreover, the Indian API industry has gained recognition worldwide due to its high quality of APIs. The increased initiatives by the government are driving small and medium-sized companies to enter the Indian API market, and capture the small and niche segments. All these factors are bound to propel growth of the Indian API market, and increase its share in the global platform in the coming years.

2. OPPORTUNITIES & THREATS:

Strength & Opportunities

Your Company has been continuously striving to keep its costs to minimum possible to aggressively compete with Indian & global competitors. Your Company continues to work on economies of scale. The company falls under MSME sector due to which it enjoys various incentives. Company has great advantage of highly motivated manpower & this helps in continual process improvements & cost reductions. Due to in-house technical expertise, your Company has strength of versatility in product range & able to stand in the market competitively. Company being process driven, rather than product driven, gives strength to absorb sudden impacts, if any, on our various product demands. Our focus is on quality of product, long-term relationships, stable and sustainable operations and global best practices for suppliers and customers with end applications in APIs, dyes and pigments.

Your Company has in place greener technologies like CNG fired boilers, economizers etc. to save power and fuel costs. However, Variation in crude oil prices would always be area of concern. The Company was able to cope up with these pressures in the past due to strong operational efficiency. Company is in process of implementing ISO 50001, Energy Conservation Audit, being one of the selected companies in India. On successful implementation, your company will get Safe Energy Certificate.

3. RISKS AND CONCERNS:

Regulatory and environment: While chemical industry addresses growing need for materials required by different sectors, the industry employs highly complex manufacturing process that often involves handling of toxic and hazardous chemicals. The importance of safety, health, security and environmental protection cannot be underestimated. Like all chemical companies, your Company is subject to central, state and local laws and regulations relating to pollution, protection of the environment, greenhouse gas emissions, and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. Other areas of risks are accidents, fire or mishaps. However the Company is adequately insured and health and safety measures are always prioritised. MSME chemical companies rely on supplies from larger plants, or petrochemical units & Inputs for a chemical plant cannot be easily substituted. Any major change in Environment Policy by Government can affect the production on short term basis.



Volatility in Raw Materials Prices: Volatility in the global prices of raw materials is also a major challenge faced by the chemical industry. Sharp corrections in the crude oil prices and prices of various raw materials procured by the Company can influence bottomline.

Slowdown in End User Industries: The slowdown in growth of industries such as Pharmaceuticals, Dyes & Pigments amongst others could impact the overall growth. However, your Company has an ability to shift the manufacturing towards those products which enjoy better demand-supply dynamics thereby sustaining profitability and insulating the operations from slowdown in a particular product category.

4. SEGMENT WISE PERFORMANCE:

For the year 2018-19, around 100% of the total sales of the company came from Intermediates for bulk Drugs (API), Dyes & pigment industries segment. Your Company also had best capacity utilization in Chlorosulfonation & Oxidation facilities - manufacturing intermediates for bulk Drugs (API), Dyes & pigment industries.

5. OUTLOOK:

Your company is in the business of manufacture of chemicals which have applications in end user segments like bulk Drugs (API), Dyes & pigment industries etc. The products manufactured by the Company are falling under the category of Speciality Chemicals which have good demand and market potential in both domestic and International markets, with demand in domestic market expected to follow an accelerated growth path. Moreover, after the REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulation imposed by European Countries and stringent Pollution Control norms being recently implemented in China, costs of handling effluents have increased resulting in relocation of manufacturing operations by large number of companies to India. With continued environmental issues in China, the overall scenario has been favourable for the domestic Chemical exporters and we are also well positioned to leverage the situation to our advantage.

Growth through Quality, Consistency & Reliability has been our Business Mantra since 36 years & as a result, we have been able to retain our clients for more than 25 years in business. The Company always strives to cater to the customized demand and our main focus is to cater the need of the pharmaceutical Industry, dyes Industry, pigments Industry and your company has achieved target revenues with high level of customer satisfaction. We plan to take our next step forward to expand capacities & diversify by way of creating additional production facility / acquisitions in domestic market. Keeping in view future expansion plans, Company has acquired land in GIDC, Ankleshwar, for warehousing. This will create space for further expansion in the existing plant. Company has also recently filed Environment Clearance application for further expansion of production capacity in the existing plant.

6. ENVIRONMENT HEALTH & SAFETY:

Your Company has appropriate Waste Management Systems for Air, liquid & solids. Safe disposal of waste, treating effluents to manufacture an eco-friendly by-product and In-house team ensuring pollution control & energy conservation - are some of the ways adopted by Company to operate in an eco-friendly manner. Continuously, the Company has used techniques to reduce the effluent generation in the process, utility and domestic areas across units to reduce the entire effluent stream. Environmental requirements are incorporated into the plant design right from the preliminary stage of a process. Air scrubbers, dust filters, fire protection systems and Effluent Treatment Plants are in place & well maintained. Your Company is also member of CETPs for their various liquid effluents. Regular safety drills ensure that readiness for safety gets top priority. The Company will strive to further improve to create safer working conditions for the workers.

7. INTERNAL CONTROL SYSTEM:

Your Company has sound and adequate internal control systems commensurate with its size and nature of business. We constantly upgrade our systems for incremental improvements. The Audit Committee of the Board periodically reviews these systems. These systems ensure protection of assets and proper recording of transactions and timely reporting. Internal audit is conducted by an independent professional firm on regular basis. The Audit Committee also regularly reviews the reports of the Statutory Auditors, and Internal



Auditors. The Company has successfully implemented TCS – ION ERP solution in order to enhance the internal control systems in procurement, planning, production, dispatch, operations and accounts & finance departments.

8. FINANCIAL & OPERATIONAL PERFORMANCE:

Your Company has grown progressively on year-to-year basis through rise in sales volume. The Company has a healthy turnover and profit track record and has a robust outlook for the future. The Company has achieved a turnover of Rs. 55.77 crores as compared to Rs. 31.76 Crores in preceding year which is a jump of about 76%. The profitability of the company also registered a growth of around 294%. It was only with aggressive strategies on various fronts and the relentless efforts of the directors that your Company managed to register the above growth in terms of volume. Value in our industry is all about creating and delivering quality, while keeping costs in check and almost every value focused agency in our sector is working towards that goal. We are working not only towards top line growth, but also for bottom line growth by adopting ISO 50001, by being an energy efficient company.

For the coming year, the outlook is very positive. With a combination of efficient production, timely delivery, aggressive strategies on various fronts and the relentless efforts we shall definitely do our best to deliver yet another promising year ahead.

9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

Human capital has always been the most important and valuable asset for the Company. Your Company continued its activities during the year in a cordial atmosphere with utmost co-operation amongst employees and the management. As of the date of the report, the total number of the employees of Company is 69. The management is committed to promote safety, occupational health and proper environment in designing, planning, training and completion of all tasks. Regular trainings are imparted to workmen in various areas.

**For and on behalf of the Board of Directors
CHEMCRUX ENTERPRISES LIMITED**

**Place: Vadodara
Date: 17th August. 2019**

**Sd/-
GIRISHKUMAR SHAH
CHAIRMAN**

**2.2 Annexure- to the Board's Report 2018-19****Secretarial Audit Report**

(For the Financial year ended on 31st March, 2019)

[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,
CHEMCRUX ENTERPRISES LIMITED
330. TRIVIA Complex
Natubhai Circle, Racecourse
Vadodara - 390 007**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by CHEMCRUX ENTERPRISES 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, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 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 31st March, 2019, 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 Bye-laws framed thereunder.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings.
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, 2009.
 - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - Not Applicable to the Company during the Audit Period.
 - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. - Not Applicable to the Company during the Audit Period.
 - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2011 regarding the Companies Act and dealing with client.



- G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. - Not Applicable to the Company during the Audit Period. and
- H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - Not Applicable to the Company during the Audit Period.

We have also examined compliance with the applicable clauses of the following: (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above ***except delayed intimation of satisfaction of charge of State Bank of India for which applications for condonation of satisfaction of charges were filed with Regional Director, North Western Region, Ahmedabad and on 1st April, 2019 the Company received certificate of satisfaction of charge by Registrar of Companies, Ahmedabad.***

Further, as per representation of management letter, considering its nature of business, process and location, the following Acts are specifically applicable to the Company.

1. The Water (prevention and control of pollution) Act, 1974 & Rules.
2. Air (Prevention & Control of Pollution) Act, 1981 & Rules.
3. Environment Protection Act, 1986 & Rules.
4. Hazardous Waste (Management & Handling) Rules, 1989.
5. Indian Boiler Regulations, 1950.

There are adequate systems and processes in the company to monitor and ensure compliance.

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 the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least 7 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.

During the Audit period, all the decisions were taken by the Board of Directors or Committee of the Board without any dissent by any of the Directors of the Company as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the year under review the Company has passed following Special Resolutions at Annual General Meeting held on 27.09.2018:-

- (a) To re-appoint Mr. Girishkumar Shah as Whole-Time Director for term of 5 years w.e.f. 01.01.2019.
- (b) To re-appoint Mr. Sanjay Y. Marathe as Managing Director for term of 5 years w.e.f. 01.01.2019.

**For Kashyap Shah & Co.
Practising Company Secretaries**

**Sd/-
(Kashyap Shah)
Proprietor
FCS No. 7662. CP No. 6672**

**Place: Vadodara
Date: 08/08/2019**

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



Annexure to Secretarial Audit Report

**To,
The Members,
CHEMCRUX ENTERPRISES LIMITED
330. TRIVIA Complex
Natubhai Circle, Racecourse
Vadodara – 390 007**

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 the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided 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 management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Kashyap Shah & Co.
Practising Company Secretaries**

**Sd/-
(Kashyap Shah)
Proprietor
FCS No. 7662. CP No. 6672**

**Place: Vadodara
Date: 08/08/2019**

**2.3 Annexure- to the Board's Report 2018-19****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 arms length transactions under third proviso thereto.

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

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts/ arrangement/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any	Date of special resolution as per first proviso to section 188

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangement/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Amount paid as advances, if any
Sidhdhi Shah & Neela Marathe	Leave and License Agreement	10 years	Leave & License agreement for a period of 10 years at the monthly rent of One lac p.m. with 10% increase every year	Resolution dated 20/10/2018	Rs. 2,00,000/ as security deposit

Place: Vadodara
Date: 17/08/2019

For and on behalf of the Board
CHEMCRIX ENTERPRISES LIMITED

Sd/-
GIRISHKUMAR C SHAH
Chairman

**INDEPENDENT AUDITOR'S REPORT**

To,
The Members of CHEMCRUX ENTERPRISES LIMITED

**Report on the Standalone Financial Statements
Opinion**

We have audited the accompanying Financial Statements of CHEMCRUX ENTERPRISES LIMITED ("the Company") which comprise the Balance sheet as at 31st March, 2019, the Statement of Profit & Loss and 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Responsibility

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.



A further description of the auditor's responsibilities for the audit of the financial statements is located in Appendix A. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 ("the order") issued by the Central Government in terms of section 143 (11) of the Companies Act, 2013, we enclose in the Annexure-A, a statement on the matters specified in paragraph 3 & 4 of the said 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 purpose of our Audit;
 - b) In our opinion, proper books of accounts as required by the law have been kept by the Company, so far as appears from our examination of the said books;
 - c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts of the Company;
 - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors, as on 31st March, 2019, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2019 from being appointed as a director of the Company in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate report in Annexure – B attached herewith.
 - g) The remuneration paid by company to its directors is in accordance with the provisions of section 197 of the companies Act 2013 read with Schedule V and is not in excess of the limits specified therein
 - h) With respect to the other matters to be included in our 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 no pending litigation as on the balance sheet date.
 - (ii) There are no long term contracts for which provision is required.
 - (iii) There has been no delay in transferring amounts required to be transferred to the Investor Protection Fund by the Company.

**FOR, R J SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.R.N. 109752W)**

Sd/-
**CA ROHIT SHAH
PARTNER
(M R N : 034139)**

**Date : 24/05/2019
Place: Vadodara**



Appendix A to Independent Auditors' Report

Further description of Auditor's responsibilities for audit of 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 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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.

FOR, R J SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.R.N. 109752W)

Sd/-
CA ROHIT SHAH
PARTNER
(M R N : 034139)

Date : 24/05/2019
Place: Vadodara

**"ANNEXURE - A" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date for the year ended 31st March 2019 of Chemcrux Enterprises Limited)

- (i) (a) The Company has maintained proper records of Fixed Assets purchases. However, as informed to us the Company is in the process of updating its old records and Fixed Assets Register showing full particulars including quantitative details and the situation of Fixed Assets.
- (b) The Company has a regular program of physical verification of its Fixed Assets by which the Fixed Assets are verified in phased manner over a period of time. In accordance with its program, certain Fixed Assets were verified during the year and as informed to us, no material discrepancies were noticed on such verification. In our opinion, the program of verification is reasonable having regard to the size of the Company and the nature its Assets.
- (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.
- (ii) In our opinion and to the best of our knowledge the physical verification of inventories has been conducted at reasonable intervals by the management of the Company. On the basis of our examination of the records of inventory, we are of the opinion that the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- (iii) The Company has not granted any loan, secured or unsecured, to Companies, Firms or Other Parties covered in the register maintained u/s. 189 of the Companies Act, 2013 during the year under report. Consequently, no comments are necessary on Para (iii) (a) (b) & (c) of CARO 2016.
- (iv) The Company has not granted any loans or advances or has not given any guarantee or has not acquired securities of any other body corporate exceeding sixty percent of its paid up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more and hence the question of compliance of Section 185 and 186 of Companies Act, 2013 doesn't arise.
- (v) The Company has not accepted any deposits within the meaning of Section 2(31) of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and hence the compliance to the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the Rules framed there under are not applicable. No order has been passed by Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- (vi) In terms of the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government U/s. 148 (1) of the Companies Act, 2013, the maintenance of cost records is not applicable to the company for the year under audit.
- (vii) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Custom Duty and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to the Company were outstanding, as at 31st March, 2019 for a period of more than six months from the date they became payable.

(b) According to the records of the company, there are no dues of Sales Tax, Income Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax or Goods and Service Tax which have not been deposited on account of any dispute.



- (viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or banks. The Company has not issued any debentures.
- (ix) The Term Loans raised during the year has been applied for the purpose for which it was raised. During the year under audit, the company has not raised moneys by way of public offer
- (x) During the course of our audit, we have not noticed any fraud done by the Company or any fraud on the Company by its officers or employees.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (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 and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**FOR, R J SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.R.N. 109752W)**

**Date : 24/05/2019
Place: Vadodara**

**Sd/-
CA ROHIT SHAH
PARTNER
(M R N : 034139)**



CHEMCRUX ENTERPRISES LTD. - BALANCE SHEET AS AT 31ST MARCH 2019

Particulars	Notes	31/03/2019 (Rs)	31/03/2018 (Rs)
(I) EQUITY AND LIABILITIES			
(1) SHARE HOLDERS FUND			
(a) Share capital	3	4,93,62,800	4,93,62,800
(b) Reserves and Surplus	4	18,91,65,015	9,74,97,778
(2) SHARE APPLICATION MONEY PENDING ALLOTMENT		-	-
(3) NON-CURRENT LIABILITIES			
(a) Long-Term Borrowings	5	1,98,24,578	1,75,66,784
(b) Deferred Tax Liabilities (Net)	6	1,08,05,818	1,89,85,013
(c) Long-Term Provisions	7	-	12,11,452
(4) CURRENT LIABILITIES			
(a) Short-Term Borrowings	8	22,65,769	1,25,20,806
(b) Trade Payables	9	4,32,78,123	3,64,51,938
(c) Other Current Liabilities	10	3,29,26,837	2,38,93,329
(d) Short-Term Provisions	11	3,85,00,000	1,04,11,506
TOTAL		38,61,28,940	26,79,01,405
(II) ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible assets		11,24,18,708	10,75,36,354
(ii) Capital work-in-progress		-	-
(b) Non-Current Investments	13	4,67,030	4,67,030
(c) Long-Term Loans and Advances	14	1,26,09,324	1,11,00,817
(d) Other Non-Current Assets	15	11,33,351	26,21,618
(2) CURRENT ASSETS			
(a) Inventories	16	4,10,86,295	3,09,97,632
(b) Trade Recievables	17	10,83,37,507	6,39,51,649
(c) Current Investments	18	3,84,64,851	1,02,63,047
(d) Cash and Cash Equivalents	19	3,17,58,593	1,53,62,562
(e) Short-Term Loans and Advances	20	3,68,70,879	1,16,38,918
(f) Other Current Assets	21	29,82,402	1,39,61,778
TOTAL		38,61,28,940	26,79,01,405
Notes forming part of the Financial Statements	1 to 45		

The Notes referred to above form an integral part of the Financial Statement As per our Report of Even Date

For R.J. Shah & Associates
Chartered Accountants
(FRN 109752 W)

For & on behalf of the Board
For Chemcrux Enterprises Limited
Sd/- Sd/-

Sd/-
CA Rohit Shah
Membership No. 034139

Girishkumar Shah
Chairman & Whole
Time Director

Sanjay Marathe
Managing Director

Place : Vadodara
Date : 24th May, 2019

Sd/-
Premchand Tiwari
CFO

Sd/-
Ekta Kumari
Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Particulars	Notes	31/03/2019(Rs)	31/03/2018 (Rs)
I	Revenue From Operations	24	55,27,31,473	31,46,47,304
II	Other Income	25	49,47,168	29,51,783
III	Total Revenue (I + II)		55,76,78,641	31,75,99,087
IV	Expenses:			
	Cost of Materials Consumed	26	21,77,07,940	11,61,40,023
	Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	27	16,49,921	(19,70,123)
	Employee Benefits Expenses	28	3,98,69,870	3,37,97,306
	Financial Costs	29	28,03,699	31,08,591
	Depreciation and Amortization Expenses		1,25,59,369	67,01,798
	Other Expenses	30	15,93,46,603	11,93,88,460
	Total Expenses		43,39,37,402	27,71,66,055
V	Profit Before Exceptional / Extra Ordinary Items & Tax (III - IV)		12,37,41,239	4,04,33,033
VI	Exceptional items (Prior Period Expense)		-	-
VII	Profit before Extraordinary Items & Tax (V - VI)		12,37,41,239	4,04,33,033
VIII	Extraordinary Items Less: Prior Year's Income Tax Adjustment		2,65,402	-
IX	Profit Before Tax (VII - VIII)		12,34,75,837	4,04,33,033
X	Tax expense :			
	(1) Current tax		3,85,00,000	1,04,11,506
	(2) Deferred tax		(81,79,195)	63,89,352
XI	Profit/(Loss) from Continuing Operations (IX-X)		9,31,55,032	2,36,32,175
XII	Profit/(Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit/(loss) from Discontinuing Operations (after tax) (XII - XIII)		9,31,55,032	2,36,32,175
XV	Profit / (Loss) for the Period (XI+XIV)		9,31,55,032	2,36,32,175
XVI	Earning per Equity Share:			
	Basic	43	18.87	4.79
	Notes forming part of the Financial Statements	1 to 45		

The Notes referred to above form an integral part of the Financial Statement As per our Report of Even Date

For R.J. Shah & Associates
Chartered Accountants
(FRN 109752 W)

Sd/-
CA Rohit Shah
Membership No. 034139

Place : Vadodara
Date : 24th May, 2019

For & on behalf of the Board
For Chemcrux Enterprises Limited
Sd/- **Sd/-**

Girishkumar Shah
Chairman & Whole
Time Director

Sd/-
Premchand Tiwari
CFO

Sanjay Marathe
Managing Director

Sd/-
Ekta Kumari
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Sr.	Particulars	For the Year ended 31.03.2019 Amount (Rs.)	For the Year ended 31.03.2018 Amount (Rs.)
A.	Cash flow from Operating Activities :		
	<i>Net Profit before Tax & Extra Ordinary Items</i>	12,34,75,837	4,04,33,033
	Adjustment for :		
	Depreciation & Write-offs	1,25,59,369	67,01,798
	Interest & Financial Charges	28,03,699	31,08,591
	Gratuity Non Cash Adjustment for AS 15	-	16,47,467
	(Profit) / Loss on Sale of Asset	73,89,324	46,004
	(Profit) / Loss on Sale of units of Mutual Fund	(12,01,804)	
	Sundry Balances written off	-	41,367
	Foreign Exchange (Gain) / Loss	-	88,446
	Dividend Payable	-	
	Operating Profit before Working Capital Changes	14,50,26,425	5,20,66,706
	Adjustments for :		
	(Increase)/Decrease in Trade Receivables	(4,43,85,858)	(2,12,98,706)
	(Increase)/Decrease in Inventories	(1,00,88,663)	(44,93,704)
	(Increase)/Decrease in Loans & Advances	(2,67,40,468)	16,69,092
	(Increase)/Decrease in Other Current Assets	1,09,79,376	(1,38,16,448)
	(Increase)/Decrease in Other Non-Current Assets	14,88,267	13,25,334
	(Increase)/Decrease in Other Non Current Investments	-	-
	Increase/(Decrease) in Trade Payables	68,26,185	2,26,35,570
	Increase/(Decrease) in Provisions	2,68,77,042	-
	Increase/(Decrease) in Other Current Liabilities	90,33,508	35,39,712
	Cash Generated from Operations	11,90,15,815	4,16,27,556
	<i>Gratuity Paid</i>	-	6,00,000
	Direct Taxes Paid	3,85,00,000	60,55,380
	Cash Flow before Extra Ordinary Items	8,05,15,815	3,49,72,176
	Extra Ordinary Items	-	-
	Net Cash Flow from Operating Activities	8,05,15,815	3,49,72,176
B.	Cash flow from Investing Activities		
	Purchase of Fixed Assets	(2,57,56,047)	(3,13,88,166)
	Net Proceeds From Sale of Asset	9,25,000	-
	Purchase of Mutual Fund Units	(5,70,00,000)	(1,02,63,047)
	Sale of Mutual Fund Units	3,00,00,000	
	Net Cash used in Investment Activities	(5,18,31,047)	(4,16,51,213)
C.	Cash Flow from Financing Activities		
	Increase/(Decrease) in Share Capital	-	
	Increase/(Decrease) in Short Term Borrowings	(1,02,55,037)	(42,85,038)
	Increase/(Decrease) in Long Term Borrowings	22,57,794	81,66,143
	Interest Paid	(28,03,699)	(31,08,591)
	Dividend Paid	(14,87,795)	(14,97,297)
	Net Cash used in Financing Activities	(1,22,88,737)	(7,24,783)
D.	Net Increase/(Decrease) in Cash and Cash Equivalents	1,63,96,031	(74,03,820)
	Cash and Cash Equivalents (Opening)	1,53,62,562	2,27,66,382
	Cash and Cash Equivalents (Closing)	3,17,58,593	1,53,62,562

For R.J. Shah & Associates
Chartered Accountants
(FRN 109752 W)

Sd/-
CA Rohit Shah
Membership No. 034139

Place : Vadodara
Date : 24th May, 2019

For & on behalf of the Board
For Chemcrux Enterprises Limited
Sd/- Sd/-

Girishkumar Shah
Chairman & Whole
Time Director

Sd/-
Premchand Tiwari
CFO

Sanjay Marathe
Managing Director

Sd/-
Ekta Kumari
Company Secretary



5. NOTES FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS ANNEXED THERETO:

1. General Information of the Company :

Chemcrux Enterprises Limited ("the company") was incorporated in April 1996 to undertake the business of manufacturing or processing of Bulk Drug Intermediates like Para Chloro Benzoic, Ortho Benzoic Acid, and Lasamide etc.

The Company started its business activities in the year 2000-01 by taking over the running business of M/s. Chemcrux, a partnership firm of the promoters, as a going concern. The Company made its Initial Public Offering in March, 2017 and met with overwhelming response wherein the public offering was oversubscribed by more than 55 times, a testament to the growth story and future outlook of the Company & was listed on the Bombay Stock Exchange on 28th March, 2017.

The Company has grown progressively on year-to-year basis through addition of new products as well as continuous upgradation and expansion of its manufacturing facilities. The Company has a healthy turnover and profit track record and has a robust outlook for the future.

2. Significant Accounting Policies :

I. Method of Accounting :

The accounts of the Company are prepared under the Historical Cost Convention and using the accrual method of accounting unless otherwise stated hereinafter, in accordance with the provisions of Companies Act, 2013('the Act') to comply in all material aspects, with the mandatory accounting standards specified u/s. 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 in conformity with accounting principles generally accepted in India. Accounting Policies, not specifically referred to, are consistent and in consonance with generally accepted accounting principles.

II. Use of Estimates:

The Preparation and Presentation of Financial Statements as per the above bases required the management to make estimates and assumptions that may affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the balance sheet and the reported amounts of incomes and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimated.

III. Fixed Assets & Depreciation :

- a. Fixed Assets are stated at their cost of acquisition less accumulated depreciation. The cost of acquisition includes freight, installation cost, duties, taxes and other incidental expenses, identifiable with the asset, incurred during the installation / construction stage in order to bring the assets to their working condition for intended use, including borrowing costs capitalized, if any, but are net of tax credits (GST) availed for the relevant element in the cost.
- b. Depreciation on assets is being provided on the Straight Line Method on the basis of useful lives specified in Part C of Schedule II to the Companies Act, 2013. Depreciation on additions during the year as well as in case of assets sold during the year has been provided pro-rata on the basis of number of days for which the asset was used during the year.

IV. Inventory :

- a. Raw Materials are valued 'at Cost' on FIFO basis. 'Cost' includes all duties, taxes and other expenses incurred to bring the inventories to their present location and condition.
- b. Finished products are valued at lower of cost or net realizable value and including the excise duty payable on this stock.
- c. Semi-Finished Goods have been valued at Raw Material cost increased by a proportion of overheads and semi-finished goods of job work valued at cost of own raw materials involved in the process increased by overheads in consonance with the stage of completion as certified by the management.

**V. *Employee Benefits :***

- a. Employee Benefits comprise short term as well as long term defined benefit as well as defined contribution plans.
- b. Contributions to Provident Fund and Employee State Insurance are defined contributions. The Company's Contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no further obligations beyond the periodic contributions.
- c. Retirement Benefits in form of Gratuity are defined benefit obligations and are provided for on the basis of actuarial valuation using projected unit credit method as at the balance sheet date. Actuarial gain / losses are immediately taken to the profit and loss account and are not deferred.
- d. In terms of the Management Policy for availment of leave by the employees during the year itself, no provision for leave encashment is required as at the year end.

VI. *Sales / Turnover and Income Recognition :*

- a. Revenue is recognized on transfer of property in goods or on transfer of significant risks and rewards of ownership to the buyer, for a consideration, without the seller retaining any effective control over the goods.
- b. Sales are accounted on dispatch of goods (which generally coincides with the transfer of ownership) and are net of Goods and Service tax.
- c. Export sales are accounted at their CIF value based on the actual realization in Indian Rupees according to the realization certificates of the Banks.
- d. Other items of income such as Interest, Claims etc are accounted on accrual basis (depending on certainty of realization) and disclosed under the head "Other Income".

VII. *GST and Input Tax Credit :*

- a. Purchases and Sales are accounted exclusive of GST element and net of recoveries, if any.
- b. A Comprehensive Goods & Services Tax (GST) was introduced w.e.f.01.07.17, subsuming majority of Indirect Taxes especially Excise Duty and VAT. GST is a destination based tax and is levied at the point of supply. It is collected on sale of goods and services on behalf of Government and is remitted by way of payment or adjustment of credit on input goods or services.
- c. Accordingly, Purchases & Sales are accounted net of GST. Similarly, other items of expenditure on which credit for GST is available or items or revenue on which GST is chargeable are also accounted net of GST elements.
- d. GST Accounts are created under Balance Sheet Groupings for liability towards GST collected on Sales / Other Revenue and asset towards GST paid on purchases or other expenditure for which credit is available. For Each month / quarter, as applicable, the GST liability is worked out after offsetting the credit available against the GST collected.
- e. The Net GST Account appears in the Balance Sheet as a Liability under Current Liabilities – Statutory Liabilities, if any amount is payable as at the year-end after offsetting the available credit and as an Asset under Loans & Advances - Indirect Taxes Recoverable from Statutory Authorities if credits remain unutilized after adjusting the amount payable.

VIII. *Foreign Currency Transactions :*

Transactions in foreign currency are recorded in Indian Rupees at the exchange rate prevailing on the date of the transactions. Exchange gains or losses on settlement, if any, are treated as income or expenditure respectively in the Statement of Profit and Loss. Liabilities in foreign currency as well as receivables in foreign currency as on the date of the Balance Sheet have been restated into Indian rupees at the rates of exchange prevailing as on the date of Balance Sheet.

**IX. *Borrowing Costs :***

According to AS-16, borrowing costs that are directly attributable to the acquisition of qualifying assets are to be capitalized for the period until the asset is ready for its intended use. A qualifying asset being, an asset that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are to be recognized as an expense in the period in which they are incurred.

X. *Investments :*

Investments are classified as current and non-current investments. Current Investments are those that are not intended to be held for more than one year from the date of investment. All other investments are classified as non-current investments.

Non-current investments are stated at cost. Cost is taken net of any rebates / subsidies received on account of the said Investment. Provision for diminution in the value of such investments is made to recognize a decline, if any, other than temporary, in their value. Current investments are valued at lower of cost or fair value.

XI. *Accounting for Taxes on Income :*

- a. Provision for taxation for the year under report includes provision for current tax as well as provision for deferred tax.
- b. Provision for Current tax is made, based on tax estimated to be payable as computed under the various provisions of the Income Tax Act, 1961.
- c. Deferred tax is recognized, subject to prudence, on timing differences between taxable income and accounting income that originate during the year and are capable of being reversed in one or more subsequent periods. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax Liabilities / Assets are quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

XII. *Contingencies / Provisions :*

Provisions requiring a substantial degree of estimation in measurement are recognized, if in the opinion of the Management, there is a probability that a present obligation as a result of past events will result in an outflow for the Company in the future. Contingencies, the outcome of which is not certain, have been disclosed in these notes as Contingent Liabilities. Contingent Assets are neither recognized nor disclosed in the financial statements

XIII. *Impairment of Assets :*

Assessment of Impairment of Assets (as covered under AS-28 Impairment of Assets) is done as at the Balance Sheet Date considering external and internal impairment indicators. If there is an indication that an asset may be impaired, its recoverable amount is estimated and the impairment loss duly provided for.

XIV. *Public Issue Expenditure :*

Expenditure incurred on the Public Issue of Shares of the Company (net of subsidy received against the same) is being amortized over a 3 year period starting from the date of allotment of shares to the applicants.

- XV.** Prior Period and Extra Ordinary items and Changes in Accounting Policies, having a material bearing on the financial affairs of the Company are disclosed separately.



NOTES FORMING PART OF BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2019

3. SHARE CAPITAL :

Particulars		31/03/2019 (Rs)	31/03/2018 (Rs)
(a)	AUTHORISED		
	60,00,000 { p.y. 60,00,000 } Equity Shares of ` 10/- each	6,00,00,000	6,00,00,000
(b)	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL.		
	49,36,280 { p.y. 49,36,280 } Equity Shares of ` 10/- each	4,93,62,800	4,93,62,800

(c) RECONCILIATION OF NUMBER OF SHARES

Particulars	31st March, 2019		31st March, 2018	
	No. of Shares	Amount `	No. of Shares	Amount `
Balance at the Beginning (Nos.)	49,36,280	4,93,62,800	49,36,280	4,93,62,800
Addition / (Reduction)	-	-	-	-
Balance at the end (Nos.)	49,36,280	4,93,62,800	49,36,280	4,93,62,800

- (d) The Company has a single class of equity shares having par value of Rs. 10/- per equity share. All shares rank pari passu with reference to all rights relating thereto. The dividend proposed, if any, by the Board of Directors 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 the preferential amounts, in proportions to their shareholding.

(e) DETAILS OF SHARES HELD BY SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY :

Name of Equity Shareholder	31st March, 2019		31st March, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Promoter Group				
Girishkumar C Shah	18,00,080	36.466	18,00,080	36.466
Sanjay Y Marathe	18,00,080	36.466	18,00,080	36.466
Other than Promoters	-	-	-	-

- (f) The Board of Directors, in its meeting held on May 24, 2019 have proposed a Final Dividend of 5% i.e Rs. 0.50 per equity share for the Financial Year ended 31st March, 2019. The said proposal is subject to the approval of the shareholders at the 23rd Annual General Meeting to be held in 2019 and if approved would result in a Cash Outflow of Rs. 29,75,590/- approximately including Corporate Dividend Tax.

**4. RESERVES & SURPLUS :**

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(a) SECURITIES PREMIUM RESERVE		
Balance as at the beginning of the year	1,06,88,000	1,06,88,000
Add : Securities Premium received during the year	-	-
TOTAL (a)	1,06,88,000	1,06,88,000
(b) SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		
Balance as at the beginning of the year	8,68,09,778	6,46,68,900
Add : Profit for the year	9,31,55,032	2,36,32,175
Less : Appropriations :		
Dividend Paid	12,34,070	12,40,070
Corporate Dividend Tax on Dividend	2,53,725	2,51,227
TOTAL (b)	17,84,77,015	8,68,09,778
TOTAL (a+b)	18,91,65,015	9,74,97,778

5. LONG TERM BORROWINGS :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(a) SECURED :		
Term Loans :		
From KotaK Mahindra Bank Ltd.	1,73,57,637	1,60,18,060
From Kotak Mahindra Prime Ltd (Car Loans)	15,42,240	6,20,470
	1,88,99,877	1,66,38,530
(b) UNSECURED :		
From Directors	9,24,701	9,28,254
	9,24,701	9,28,254
TOTAL	1,98,24,578	1,75,66,784

Balances of Term Loans from Kotak Mahindra Bank Ltd include :

- Term Loan of Rs. 67.56 lacs, secured against all existing and future receivables, current assets and movable fixed assets .Rate of Interest is 6m MCLR 8.85% + 0.20% i.e. 8.87%. The installments commenced from January 2018 and last installment is due in December 2020.
- Term Loan of Rs.14.85 lacs secured against all existing and future receivables, current assets and movable fixed assets .Rate of Interest is 6m MCLR 8.85% + 0.20% i.e. 8.87%. The installments commenced from January 2018 and last installment is due in April 2019.
- Term Loan of Rs. 145.76 lacs secured against all existing and future receivables, current assets and movable fixed assets. Rate of Interest is 6m MCLR 8.85% + 0.20% i.e. 8.87%. The installments commenced from February 2018 and last installment is due in January 2023.
- Term Loan of Rs. 82.23 lacs secured against all existing and future receivables, current assets and movable fixed assets. Applicable Rate of Interest is 6m MCLR 8.85% + 0.20% i.e. 8.87%. The installments commenced from June 2018 and last installment is due in May 2023.
- The above facilities are further secured by collateral security of Factory Land, Building at GIDC, Ankleshwar and hypothecation of existing Plant & Machinery and also personal guarantee of two Directors.

**Balances of Term Loans from Kotak Mahindra Prime Ltd include :**

- Term loan for purchase of Car and secured against hypothecation of the same. The Loan is repayable in 36 equated monthly installments starting from 05th November 2016 with last installment payable on 05th Oct 2019. Rate of Interest : 9.45%
- Term loan for purchase of Car and secured against hypothecation of the same. The Loan is repayable in 60 equated monthly installments starting from 05th December 2017 with last installment payable on 05th November 2022. Rate of Int. : 8.64%
- Term loan for purchase of Car and secured against hypothecation of the same. The Loan is repayable in 36 equated monthly installments starting from 01st May 2019 with last installment payable on 01st April 2022. Rate of Interest : 10.9%

Unsecured Loans :

The amount taken as unsecured loans from Directors are usually payable on demand but the company reserves its right to defer the payment of the same for a period exceeding 12 months. Interest on the same has been paid @ 12% p.a. only to the Non-Executive Directors.

6. DEFERRED TAX LIABILITIES (NET) :

Particulars	31/03/2019 (Rs')	31/03/2018 (Rs')
Deferred Tax Liabilities	1,08,05,818	1,89,85,013
(difference between accounting and tax depreciation)		
Net Deferred Tax Liabilities as at the year end	1,08,05,818	1,89,85,013

7. LONG TERM PROVISIONS :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(a) Provision for Employee Benefits		
Provision for Gratuity (Net)	-	12,11,452
(b) Others	-	-
TOTAL	-	12,11,452

8. SHORT TERM BORROWINGS :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
SECURED :		
From Kotak Mahindra for Working Capital	22,65,769	1,25,20,806
(repayable on demand)		
	22,65,769	1,25,20,806

* The Bank Facilities from Kotak Mahindra Bank (Cash Credit) are secured by hypothecation of Company's entire stocks and receivables. The facilities are further secured by Collateral Security of Factory Land and Building at GIDC, Ankleshwar and also hypothecation of existing Plant and machinery and personal guarantee of two Directors of the Company.



9. TRADE PAYABLES :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(a) Sundry Creditors for Goods	4,32,78,123	3,64,34,828
(b) Sundry Creditors for Capital Goods	-	17,110
TOTAL	4,32,78,123	3,64,51,938

* Sundry Creditors are as per books and have not been corroborated by circulation / confirmation of balances.

Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006

** Sundry Creditors for Raw Materials do not include any amount outstanding to Micro & Small Enterprises. The above information has been compiled in respect of parties to the extent they could be identified as Micro and Small Enterprises on the basis of information collected and available with the Company and same has been relied upon by the auditors regarding Other Sundry Creditors, the Company does not have information regarding their status as Micro & Small Enterprises

The Company deals with various Micro and Small Enterprises on mutually accepted terms and conditions. Accordingly, no interest is payable if the terms are adhered to by the Company. Consequently, no interest has been paid or is due and no provision for interest payable to such units is required or has been made under Micro, Small and Medium Enterprises Development Act, 2006.

10. OTHER CURRENT LIABILITIES :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(a) Current Maturities of Long Term Debts		
- Kotak Mahindra Prime Ltd - Term Loans (Installments due within one year)	14,88,885	14,04,919
- Kotak Mahindra Bank Ltd - Term Loans (Installments due within one year)	58,86,166	58,31,698
(b) Interest Accrued but not due on borrowing	1,78,658	-
(c) Interest Accrued and due on borrowings	-	-
(d) Incomes Received in Advance	-	-
(e) Unpaid Dividends	2,000	6,000
(b) Others Payables :		
- Creditors for Expenses	1,25,51,806	84,66,489
- Statutory Liabilities	34,99,315	23,25,620
- Other Payables	85,21,592	58,54,915
- Advances Received from Customers	7,98,415	3,688.00
TOTAL	3,29,26,837	2,38,93,329

11. SHORT TERM PROVISIONS :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(a) Provision for Employee Benefits	-	-
(b) Provision for Current Taxation	3,85,00,000	1,04,11,506
TOTAL	3,85,00,000	1,04,11,506



12. FIXED ASSETS :-

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Balance as on 01/04/2018	Additions during the Year	Deduction / Disposal	Balance as on 31-03-2019	Balance as on 01/04/2018	Deductions	Depreciation for the year	Balance as on 31-03-2019	As on 31/03/2019	As on 31/03/2018
Tangible Assets										
Land	46,00,614	-	-	46,00,614	-		-	-	46,00,614	46,00,614
GIDC Quarter	1,83,415	-	-	1,83,415	54,132		10,240	64,372	1,19,043	1,29,283
Factory Building	1,51,31,064	72,05,000	-	2,23,36,064	46,01,239		4,90,625	50,91,864	1,72,44,200	1,05,29,825
Office Equipment	12,66,391	1,05,432	-	13,71,823	5,75,228		3,03,085	8,78,313	4,93,510	6,91,163
Office Premises	6,67,062	-	-	6,67,062	6,16,170		1,496	6,17,666	49,396	50,892
Furniture & Fixtures	5,50,176	8,19,362	-	13,69,538	3,20,993		44,833	3,65,826	10,03,712	2,29,183
Plant & Machinery	12,81,54,897	1,36,03,065	2,86,12,438	11,31,45,524	4,49,00,985	2,15,73,490	1,05,88,931	3,39,16,426	7,92,29,098	8,32,53,912
Computer	12,77,893	5,01,184	-	17,79,077	10,42,164		2,09,077	12,51,241	5,27,836	2,35,729
Motor Car	49,59,319	31,77,004	17,01,160	64,35,163	10,96,411	4,25,784	5,46,771	12,17,398	52,17,765	38,62,908
Pollution Control System	57,37,470	-	-	57,37,470	17,84,626		3,64,311	21,48,937	35,88,534	39,52,845
Trivia Office WIP	-	3,45,000	-	3,45,000	-	-	-	-	3,45,000	-
Total	16,25,28,301	2,57,56,047	3,03,13,598	15,79,70,750	5,49,91,948	2,19,99,274	1,25,59,369	4,55,52,043	11,24,18,708	10,75,36,354
Previous Year	13,11,40,136	3,13,88,166	-	16,25,28,301	4,82,90,150	-	67,01,798	5,49,91,948	10,75,36,354	8,28,49,986

As per Companies Act 2013 , Schedule II specifies that the useful life specified in Part C of the Schedule is for whole of the asset. Where Cost of a Part of the Asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part should be determined separately. As per the Management of the Company and considering the nature of Fixed Assets lying in the Block of Assets of the Company, particularly the Plant and Machineries lying in the Block, there are no such major parts whose useful life is different from the useful life of the remaining asset and hence the Company has considered the useful life of the said parts equivalent to the useful life of the Asset only. However, the Company has undertaken the specific exercise of identifying the parts where the Cost is significant to the total cost and whose useful life might be different from the useful life of the remaining assets. If such parts are identified, the same shall be given effect to prospectively.

13. NON CURRENT INVESTMENTS :-

Particulars	31/03/2019 (Rs`)	31/03/2018 (Rs`)
(a) Investments in Equity Instruments (At Cost)		
Unquoted , Non Trade		
36703 {P.Y. 36703} Equity Shares of ` 10 each of Bharuch Eco-Acqua Inf. Ltd.(Now known as Narmada Cleantech Ltd.)	3,67,030	3,67,030
25000 {P.Y. 25000} Equity Shares of ` 10 each of Ankleshwar Reasarch & Analytical Infrastructure Ltd.	1,00,000	1,00,000
TOTAL	4,67,030	4,67,030

14. LONG TERM LOANS AND ADVANCES : (Unsecured, considered good)

Particulars	31/03/2019 (Rs`)	31/03/2018 (Rs`)
(a) Capital Advances	54,37,795	54,37,795
(b) Security Deposits	71,11,529	55,88,022
(c) Other Loans and Advances (recoverable in cash or kind or for value to be received)	60,000	75,000
TOTAL	1,26,09,324	1,11,00,817

Security Deposit includes Rs. 2 Lacs (P.Y. Rs Nil) given towards leased premises to Related Parties.



15. OTHER NON-CURRENT ASSETS :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(a) Long-term Trade Receivables		-
(b) Others		
- IPO Expenses (pending to be written off)	11,33,351	26,21,618
(Net of subsidy received towards the same)		
TOTAL	11,33,351	26,21,618

16. INVENTORIES :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Raw Materials	1,94,85,681	77,47,097
Work-in-Progress	1,05,29,995	1,03,80,131
Finished Goods	1,07,70,619	1,25,70,404
Stores and Spares	3,00,000	3,00,000
TOTAL	4,10,86,295	3,09,97,632

17. TRADE RECEIVABLES : (Unsecured, considered Good)

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(a) Outstanding for a period exceeding Six Months	2,45,427	98,849
(b) Others	10,80,92,080	6,38,52,800
TOTAL	10,83,37,507	6,39,51,649

Balances are as per books and have not been corroborated by circulation / confirmation of balances.

18. CURRENT INVESTMENTS :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(a) Investment in Mutual Funds (At Cost)		
Quoted , Non Trade		
UTI Money Market Fund (5307.130 Units)	-	1,02,63,047
UTI Liquid Cash Plan (12902.252)	3,84,64,851	-
TOTAL	3,84,64,851	1,02,63,047
Market Value of Quoted Investments	3,94,90,438	1,03,47,549

19. CASH AND CASH EQUIVALENTS :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(a) Balances with Banks	2,16,06,008	1,51,67,077
(b) Margin Money Deposits (Maturing within 12 Months)	96,43,962	1,05,500
(c) Cash on Hand	5,08,623	89,984
TOTAL	3,17,58,593	1,53,62,562



20. SHORT TERM LOANS AND ADVANCES : (Unsecured, considered Good)

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Advance Income Tax and Refunds Receivable	3,30,01,578	80,52,352
Indirect Taxes Recoverable Balance with Revenue Authorities	14,04,762	5,50,736
Advances to Staff	12,91,700	20,00,500
Security Deposit	-	-
Other Short Term Loans and Advances	11,72,839	10,35,330
(recoverable in cash or kind or for value to be received)		
TOTAL	3,68,70,879	1,16,38,918

21. OTHER CURRENT ASSETS :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Advance to Suppliers	25,94,707	25,00,000
ICICI Lombard claim Receivable	-	13,90,000
Stock In Transit (Import)	-	1,00,71,778
Gratuity Account	3,87,695	-
(Excess of Fair Value of Planned assets over Present Value of Obligations)		
TOTAL	29,82,402	1,39,61,778

22. CONTINGENT LIABILITIES AND COMMITMENTS :-

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Contingent Liabilities		
Claims against the Company not acknowledged as debt	-	-
Guarantees	-	-
Other Moneys for which Company is contingently liable	-	-
TOTAL	-	-

23. In the opinion of the Board, all assets which are considered good (other than Fixed Assets and Non- Current Investments) are expected to be realised at least the amount at which they are stated, if realised in the ordinary course of business. Further in the opinion of the Board, provision for all known liabilities has been adequately made in the accounts and as per management experience and estimates, no additional provisions are required.



NOTES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2019

24. REVENUE FROM OPERATIONS :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(a) Sale of Products		
- Domestic Sales	34,92,07,788	16,46,43,953
- Export Sales (including Deemed Exports)	6,02,79,210	5,04,52,615
Total Sale of Products	40,94,86,998	21,50,96,568
(b) Other Operating Revenues		
- Job Work	14,32,44,475	10,40,33,395
Total Operating Revenues	14,32,44,475	10,40,33,395
Less : Excise Duty Collected on Sales	-	44,82,659
TOTAL	55,27,31,473	31,46,47,304

(In the preceeding year Excise Duty was applicable till 30.06.17. From 01.07.17, a new Goods & Services Tax became applicable. As per Note 2 (6)(b) of Significant Accounting Policies on GST, the same being a destination based tax levied at the time of supply, it is not included in Revenue from Operations)

25. OTHER INCOME :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Duty Drawback	8,54,026	5,89,964
Interest Income	8,52,836	15,87,516
Exchange Rate Difference (Net)	-	88,446
Bad Debts Recovered	-	83,764
Gain on Investment in Mutual Fund	12,01,804	2,88,158
Rate Differences and Discounts (Net)	1,75,163	1,99,051
Insurance Claims Received	18,63,339	-
Other Income	-	1,14,885
TOTAL	49,47,168	29,51,783

26. COST OF MATERIALS CONSUMED :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Opening Stock of Raw Materials	77,47,097	41,65,835
Add : Purchases (incl. Import Duties)	21,87,78,215	10,69,03,196
	22,65,25,312	11,10,69,031
Less : Closing Stock of Raw Materials	1,94,85,681	77,47,097
Raw Materials Consumed	20,70,39,631	10,33,21,934
Stores and Consumables	83,51,963	1,10,45,814
Packing Materials	23,16,346	17,72,275
TOTAL	21,77,07,940	11,61,40,023

Material Consumption	31st March 2019		31st March 2018	
	Amount (Rs.)	% Consumed	Amount (Rs.)	% Consumed
Imported	5,34,49,810	25.82	2,26,63,668	21.94
Indigeneous	15,35,89,821	74.18	8,06,58,266	78.06
	20,70,39,631	100.00	10,33,21,934	100.00



27. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & STORES AND SPARES :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Opening Stocks		
Finished Goods	1,25,70,404	78,26,841
Work-in-Progress	1,03,80,131	1,42,11,252
Stores and Spares	3,00,000	3,00,000
	2,32,50,535	2,23,38,093
Closing Stocks		
Finished Goods	1,07,70,619	1,25,70,404
Work-in-Progress	1,05,29,995	1,03,80,131
Stores and Spares	3,00,000	3,00,000
	2,16,00,614	2,32,50,535
Differential Excise Duty on Opening & Closing Stock of Fin. Goods	-	(10,57,681)
TOTAL	16,49,921	(19,70,123)

28. EMPLOYEE BENEFIT EXPENSES :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Salaries and Wages	2,11,60,456	2,12,58,974
Provident Fund ,ESI , Bonus and Gratuity	88,50,315	55,52,996
Directors' Remuneration	84,00,000	60,00,000
Staff Welfare	14,59,099	9,85,336
TOTAL	3,98,69,870	3,37,97,306

29. FINANCE COST :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Interest on Loans from Banks	24,62,750	16,99,084
Bank Charges and Other Borrowing Costs	2,14,409	11,20,860
Others Interest	1,26,540	2,88,648
TOTAL	28,03,699	31,08,591

30. OTHER EXPENSES :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(a) Manufacturing \ Direct Expenses		
Freight, Octroi & Transportation	2,28,95,419	1,25,36,786
Repairs & Maintenance	1,68,23,506	98,23,872
Fuel Charges	4,16,79,167	3,06,96,244
Effluent Treatment Charges	58,70,137	25,85,496
Labour Charges	1,00,16,873	86,75,984
Other Factory Expenses	3,39,98,851	3,87,47,296
Total (a)	13,12,83,953	10,30,65,677



Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
(b) Administrative & Other Expenses		
Audit Fees	1,00,000	1,00,000
Bad Debts written off	-	5,54,713
Conveyance & Petrol Exp	6,30,381	4,25,809
Donation	11,000	43,000
Directors' Sitting Fees	42,300	65,000
Insurance Premium	9,28,053	4,38,076
Legal, Professional, License & Filing Fees	57,57,411	21,10,761
Office & General Administration Expenses	8,88,458	8,25,313
Repairs & Maintenance (Shed & Building)	39,38,067	8,75,130
Security Service Charges	14,06,134	12,89,941
Travelling Expenses	5,32,055	11,99,210
Rates & Taxes	8,86,604	2,23,094
IPO Expenses Written Off	9,88,267	13,25,334
Loss on Assets due to Sale / Discard / Scrap / Others	76,69,320	46,004
Exchange Rate Difference (Net)	9,10,819	-
Foreign Travelling Expense	6,22,862	-
Total (b)	2,53,11,731	95,21,384
(c) Selling & Distribution Expenses		
Custom Clearing Charges for Exports	23,19,785	66,11,312
Sales Commission	3,63,178	-
Advertisement Exp	67,956	1,05,556
Service Tax On Transport	-	84,531
Total (c)	27,50,919	68,01,399
TOTAL (a+b+c)	15,93,46,603	11,93,88,460

31. C.I.F. VALUE OF IMPORTS :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Raw Materials	6,26,52,741	2,54,64,936
TOTAL	6,26,52,741	2,54,64,936

32. EXPENDITURE IN FOREIGN CURRENCY :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Travelling Exp	6,22,860	-
Legal & Professional charges	1,87,853	-
TOTAL	8,10,713	-

33. EARNINGS IN FOREIGN CURRENCY :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Export of Goods on FOB basis	5,88,52,210	4,11,80,272
TOTAL	5,88,52,210	4,11,80,272

**34. PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE :**

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Sundry Creditors	1,82,87,357	1,56,26,208
Sundry Debtors	-	9,672
TOTAL	1,82,87,357	1,56,35,880

35. AUDITORS REMUNERATION :

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
As Statutory Auditors	1,00,000	1,00,000
In Other Capacity	-	-
TOTAL	1,00,000	1,00,000

36. DIRECTORS REMUNERATION :

Directors' Remuneration of Rs. 84,00,000/- (p.y Rs. 60,00,000/-) paid during the year is within the limits prescribed by Section 197 read with Part II of Schedule V of the Companies Act, 2013. Perquisites of Free Usage of Car are given to the Directors. No contributions are made to PF and they are not considered eligible for Bonus, Gratuity and Leave Encashment.

37. DISCLOSURES ON LEASE :

The Company has taken certain premises (Office) under operating lease or leave and license agreement. The lease terms in respect of such premises is on basis on individual agreement with respective owners.

Particulars	31/03/2019 (Rs)	31/03/2018 (Rs)
Lease Payments Recognised in Statement of Profit and Loss Account	5,00,000	-
TOTAL	5,00,000	-

38. SEGMENT REPORTING :

With respect to Accounting Standard-17, the Management of the Company is of the view that the products offered by the Company are in the nature of Bulk Drug Intermediates and its related products, having the same risks and returns, same type and class of customers and regulatory environment. Hence, the Company effectively has a single reportable business segment. Hence, segment-wise disclosure of information is not applicable.

39. CLASSIFICATION OF EXPENDITURE :

The treatment of a particular expenditure relating to Plant & Machinery as capital (capitalization to fixed assets) or Revenue (Repairs and Maintenance) has been done based on Management's perception of the reason, nature and necessity of the expenditure as well as the longevity of the benefit derived from the same being a technical matter. The treatment accorded by the Management has been accepted by the Auditors.

40. POST EMPLOYMENT BENEFITS :

Provident Fund and Employee State Insurance paid during the year being defined contributions have been charged to the of Profit and Loss Account.

In terms of the Management Policy for availment of leave by the employees during the year itself, no provision for leave encashment is required as at the year end.

The Company has a defined benefit gratuity plan. Every employee who has completed five or more years of service is eligible for gratuity @ 15 days salary (last drawn) for every completed year of service with a overall ceiling of Rs. 1000000. The Company has taken a Group Gratuity cum Life Insurance Policy from Life Insurance Corporation of India (a qualifying policy) and makes annual contributions to the same to create a fund to meet this defined benefit gratuity obligation.



POST EMPLOYMENT BENEFITS :

Changes in Present Value of Defined Benefit Obligation	31/03/2019 (Rs)	31/03/2018 (Rs)
Present Value of Obligations as at the beginning of the Year	1,01,93,829	80,33,014
Interest Cost	7,64,537	6,42,641
Current Cost	5,08,731	4,21,999
Benefits Paid	(2,22,549)	(36,684)
Actuarial (gains) / losses on obligation	8,26,683	11,32,859
Present Value of Obligations as at the end of the Year	1,20,71,231	1,01,93,829
Change in Fair Value of Plan Assets	31/03/2019 (Rs)	31/03/2018 (Rs)
Fair Value of Plan Assets as at the beginning of the Year	89,82,377	78,69,119
Expected Return on Plan Assets	7,99,676	6,32,977
Contributions	28,99,420	5,16,964
Benefits Paid	(2,22,549)	(36,684)
Actuarial (gains) / losses on Plan Assets	NIL	NIL
Fair Value of Plan Assets as at the end of the Year	1,24,58,925	89,82,377
Defined Benefit Obligation as recognized in Balance Sheet	31/03/2019 (Rs)	31/03/2018 (Rs)
Present Value of Obligations as at the Year end	1,20,71,231	10,93,829
Fair Value of Plan Assets as at the Year end	1,24,58,925	89,82,377
Net Asset / (Liability) recognized in Balance Sheet	3,87,695	(12,11,452)
Net Gratuity Benefit Expenditure Recognised in P&L Account	31/03/2019 (Rs)	31/03/2018 (Rs)
Current Service Cost	5,08,731	4,21,999
Interest Cost	7,64,537	6,42,641
Expected Return on Plan Assets	(7,99,676)	(6,32,977)
Net Actuarial (Gain) / Loss Recognised in the Year	8,26,683	11,32,859
Net Expense Recognised in Statement of Profit and Loss	13,00,274	15,64,522
Principal Assumptions Used	31/03/2019 (Rs)	31/03/2018 (Rs)
Discount Rate	7.50%	7.50%
Expected Return on Plan Assets	7.50%	7.50%
Salary Escalation Rate	7%	7%
Major Categories of Plan Assets		
Insurer Managed Funds	100%	100%

41. BORROWING COSTS :

No Borrowing Costs were eligible for capitalisation during the year in terms of AS-16.

42. RELATED PARTY TRANSACTIONS :

The Company has identified all the related parties having transactions for the year in line with Accounting Standard 18. Details of the same are as under:

a. List of Related Parties

Nature of Relation		Name of Related Parties	
Key Managerial Person		Mr. Girish Shah-Chairman and WTD	
		Mr. Sanjay Marathe-Managing Director	
		Mrs. Sidhdi Shah-Director	
		Mrs. Neela Marathe-Director	
		Mr. Premchand Tiwari- CFO	
		Mrs. Ekta Kumari- CS	
Relative to Key Managerial Person	Nature of Concern	Name of Related Parties	Related KMP
	HUF	Sanjay Marathe- HUF	Sanjay Marathe
	HUF	Girish Shah- HUF	Girish Shah
	Accustomed to act on advise of Director	Techolabz Systems Pvt. Ltd.	Sanjay Marathe
	Member & Director	Kapil Organisers Pvt Ltd	Bhanubhai Patel
	Partner	Trimurti Dye Chem Industries	Bhanubhai Patel
	Partner	Omkar Chemicals	Bhanubhai Patel



b. Transactions with Related Parties :

Name of Related Parties	Transaction during year		Balances as at	
	2018-19 (Rs.)	2017-18 (Rs.)	31.03.2019 (Rs)	31.03.2018 (Rs.)
Key Managerial Person				
Director Remuneration	84,00,000	60,00,000	-	-
Unsecured Loans Rcvd/(Paid) (net)	(3,553)	-	9,24,701	9,28,254
Interest on Unsecured Loan	68,505	65,324		-
Remuneration to CFO	60,000	60,000		
Remuneration to CS	3,00,000	2,48,000		
Lease Rent	5,00,000	-	90,000	-
Lease Deposit	2,00,000	-	2,00,000	-
Relative to Key Managerial Person				
Trimurti Dye Chem Industries	-	42,525	-	-
Omkar Chemicals	-	40,781	-	-

43. EARNINGS PER SHARE :

In line with Accounting Standard 20 the Earnings Per Share details are given below :

Particulars		2018-19	2017-18
Profit After Taxation	Rs.	9,31,55,032	2,36,32,175
Weighted Average Number of Equity Shares	Nos.	49,36,280	49,36,280
Nominal Value of Shares	Rs.	4,93,62,800	4,93,62,800
Earnings Per Share	Rs.	18.87	4.79

44. IMPAIRMENT OF ASSETS :

During the year, the Company has undertaken an exercise to discard old assets as also to remove certain assets having no value from its Block of Assets. The loss / write-off on this account has been debited to the Profit and Loss Account. In absence of any further indications, external or internal, as to any probable impairment of assets, no separate provision has been made for same.

45. The figures in respect of previous year have been re-grouped / recast wherever necessary to confirm to the current year's classification.

For R.J. Shah & Associates
Chartered Accountants
(FRN 109752 W)

For & on behalf of the Board
For Chemcrux Enterprises Limited
Sd/- Sd/-

Sd/-
CA Rohit Shah
Membership No. 034139

Girishkumar Shah
Chairman & Whole
Time Director

Sanjay Marathe
Managing Director

Place : Vadodara
Date : 24th May, 2019

Sd/-
Premchand Tiwari
CFO

Sd/-
Ekta Kumari
Company Secretary

**Form MGT-11 Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CHEMCRUX ENTERPRISES LIMITED

CIN: L01110GJ1996PLC029329

Regd. Office: 330, TRIVIA Complex, Natubhai Circle, Racecourse

Vadodara- 390 007 Ph: +91-0265-2984803/2988903

Email : girishshah@chemcrux.com Website: www.chemcrux.com

Name of the Member(s): _____
Registered address: _____

E-mail ID: _____
Folio No/DP ID-Client ID: _____

I/We being the Member(s), holding _____ of the above named company, hereby appoint:

1	Name Address Email id	Signature
2	Name Address Email id	Signature
3	Name Address Email id	Signature

as my / our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting to be held on Tuesday, 17th September, 2019, at 02:00 P.M. at 330, TRIVIA Complex, Natubhai Circle, Racecourse, Vadodara 390007 and any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. Adoption of Financial Statements for the year ended 31.03.2019
2. Approval of Dividend for the financial year ended 31.03.2019
3. Re-appointment of Director, Mrs. Sidhdhi G. Shah who retires by rotation.

On this _____ day of _____, 2019.

Signature of shareholder: _____

Signature of Proxy holder(s): _____

Note: This form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**Form No. MGT-12****Polling Paper**

[Pursuant to Section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company		CHEMCRUX ENTERPRISES LIMITED		
Registered Office		CIN: L1110GJ1996PLC029329 330, TRIVIA Complex Natubhai Circle, Racecourse Vadodara- 390 007 GUJARAT Ph: +91-0265-2984803/2988903 Website: www.chemcrux.com		
Sr.No	Particulars	Details		
1	Name of the First Named Shareholder (In Block Letter)			
2	Postal Address			
3	Registered Folio No./8 Client ID No. (* Applicable to investors holding shares in dematerialized form)			
4	Class of Share	Equity Shares		
5.	Number of Shares			
I hereby exercise my vote in respect of Ordinary / Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner.				
No.	Item No.	No. of shares held by me	I assent to the resolution	I dissent to the resolution
1	To receive, consider and adopt the Audited Financial Statement including the Balance Sheet as at March 31, 2019 and the Statement of Profit of Loss and Cash Flow for the year ended on that date together with Report of Directors and Auditors thereon. (Ordinary Resolution)			
2	To declare dividend for the F.Y 2018-19, on the Equity Shares of the Company at the rate of 5% (Rs. 0.50 per Equity Share) (Ordinary Resolution)			
3	To re-appoint the retiring director Mrs. Sidhdhi G. Shah (DIN:00469138), who retires by rotation and being eligible, offers herself for re-appointment. (Ordinary Resolution).			
Date:/...../2019 Place: Vadodara (Signature of the Shareholder)				



ATTENDANCE SLIP

CHEMCRUX ENTERPRISES LIMITED

CIN: L1110GJ1996PLC029329

R.O : 330, TRIVIA Complex,

Natubhai Circle, Racecourse,

Vadodara- 390 007 GUJARAT

Ph: +91-0265-2984803/2988903

Email:- girishshah@chemcrux.com

Website: www.chemcrux.com

ATTENDANCE SLIP

Name of the Member(s):
Registered address:.....
.....
.....
E-mail ID:
Folio No/DP ID-Client ID:
Number of Shares held:

I/We certify that I am a member / proxy of the Company.

I hereby record my presence at the 23rd Annual general Meeting of the Company to be held at the Registered office of the Company at 330, TRIVIA Complex, Natubhai Circle, Racecourse, Vadodara 390007 at 02:00 P.M. on Tuesday, 17th day of September, 2019.

Name of the Member / Proxy
(In Block Letters)

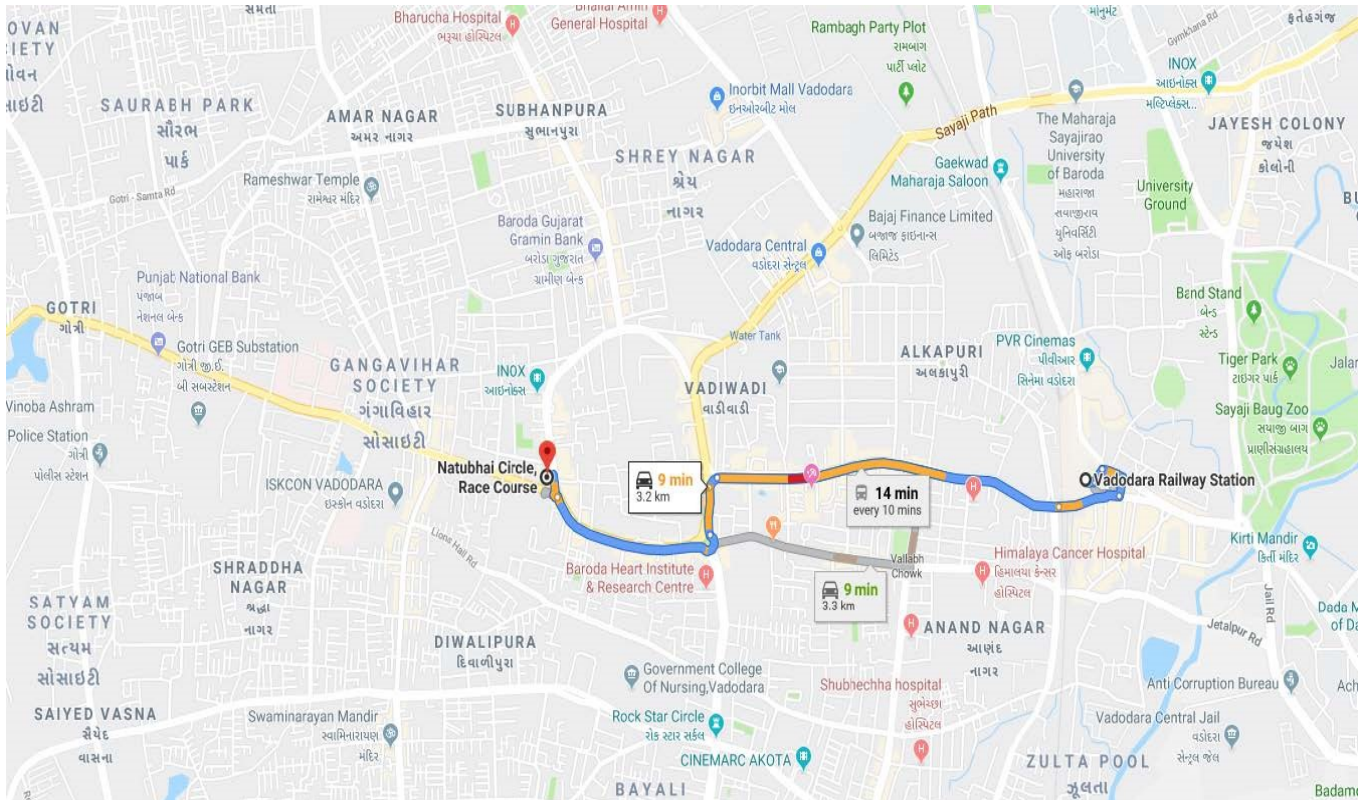
Signature of the Member / Proxy

Note: Please fill this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of Annual report 2018-19 for the meeting.



ROUTE MAP OF VENUE OF AGM

At Regd. Office :
**330, TRIVIA Complex,
Natubhai Circle, Racecourse
Vadodara – 390007 GUJARAT**





Reg. Off.:

330, TRIVIA Complex, Natubhai Circle,
Racecourse, Vadodara – 390007, Gujarat, INDIA
Ph.: +91 265 2988903 / 2984803 Website : www.chemcrux.com

