



CHEMCRUX ENTERPRISES LTD.

ISO 9001, 14001 & 50001 Certified Company



Quality - Consistency - Reliability

**Manufacturers of Intermediates for
API, Dyes & Pigments since 40 years**



ANNUAL REPORT 2023-24

PROMOTERS & DIRECTORS :

Girish Shah, Chairman & Whole Time Director
BE (Chem), D.I.I.S.C (IM)

Sanjay Marathe, Managing Director
B.E (Chem), M. Tech (IIT Powai)

REGD OFFICE :

330, TRIVIA Complex, Natubhai Circle,
Racecourse, Vadodara 390007 GUJARAT
Tel No. : 0265 2984803 / 2988903
Email : girishshah@chemcrux.com
Website : www.chemcrux.com

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Girishkumar C. Shah	- Chairman & WTD
Mr. Sanjay Marathe	- Managing Director
Mrs. Neela Marathe	- Non-Executive Director (upto 04/08/2023)
Mrs. Sidhdhi Shah	- Non-Executive Director (w.e.f. 04/08/2023)
Mr. Shailesh Patel	- Independent Director
Mr. Bhanubhai Patel	- Independent Director
Mr. Mukund Bakshi	- Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Krutarth Parikh	- CFO (upto 13/09/2023)
Mr. Ramesh Kambariya	- CFO (w.e.f. 08/12/2023)
Mrs. Dipika Rajpal	- Company Secretary

REGISTERED OFFICE:

330, TRIVIA Complex
Natubhai Circle, Racecourse,
Vadodara- 390 007 (GUJARAT, INDIA)
Ph: +91-0265-2984803/2988903

FACTORY:

4712-14, GIDC Road South 10,
Ankleshwar – 393 002, Gujarat, INDIA

BOARD COMMITTEES

Audit Committee

Mr. Mukund Bakshi	(Chairperson)
Mr. Shailesh Patel	
Mr. Bhanubhai Patel	

Nomination & Remuneration Committee

Mr. Bhanubhai Patel	(Chairperson)
Mr. Shailesh Patel	
Mr. Mukund Bakshi	

Stakeholders Relationship Committee (Reconstituted w.e.f. 04/08/2023)

Mrs. Neela Marathe	(Chairperson upto 04/08/2023)
Mrs. Sidhdhi Shah	(Chairperson w.e.f. 04/08/2023)
Mr. Sanjay Marathe	
Mr. Bhanubhai Patel	

CSR Committee

(Reconstituted w.e.f. 04/08/2023)

Mr. Sanjay Marathe	(Chairperson)
Mrs. Neela Marathe	(Member upto 04/08/2023)
Mrs. Sidhdhi Shah	(Member w.e.f. 04/08/2023)
Mr. Mukund Bakshi	

AUDITORS

Statutory Auditors:

M/s. Naresh & Co., Chartered Accountants
City Enclave, Opp. Polo Ground,
Vadodara – 390 001.

Internal Auditors:

M/s. KR & Associates, Chartered Accountants,
113-114, Nakshtra Complex, Above SBI,
Near Sangam Char Rasta, Vadodara- 390006.

Secretarial Auditors:

M/s. Kashyap Shah & Co.,
(Practising Company Secretaries)
B 203, Manubhai Tower,
Sayajigunj, Vadodara -390 020.

Registrar & Share Transfer Agent:

Bigshare Services Private Limited
S6-2, 6th Floor, Pinnacle Business Park, Next to
Ahura Centre, Mahakali Caves Road, Andheri
(East), Mumbai, Maharashtra-400 093
E-mail id: info@bigshareonline.com

BANKERS:

Kotak Mahindra Bank Limited

WEBSITE: www.chemcrux.com

CIN : L01110GJ1996PLC029329

Investor Relations Mail ID:
companysec@chemcrux.com

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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-Eighth (28th) Annual General Meeting of the members of **CHEMCRUX ENTERPRISES LIMITED** ("the Company") will be held on Friday, 13th September, 2024 at 2.00 P.M. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") for which the Registered Office of the Company situated at 330, TRIVIA Complex, Natubhai Circle, Racecourse, Vadodara- 390007 shall be the deemed venue to transact the following business:

ORDINARY BUSINESS:

1. **A.** To receive, consider, approve and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2024, together with the reports of the Board of Directors and Auditors thereon:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2024, together with the reports of the Board of Directors and the Auditors thereon be and are hereby received, considered, approved and adopted."

- B.** To receive, consider, approved and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2024, together with the reports of the Auditors thereon:

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2024, together with the reports of the Auditors thereon be and are hereby received, considered, approved and adopted."

2. To declare final dividend for the financial year ended 31st March 2024, at the rate of 10% (Re. 1/-) per Equity Share:

"RESOLVED THAT a final dividend of Re. 1/- (One only) per Equity Share @ 10% on 1,48,08,840 Equity Shares of the Company as recommended by the Board of Directors be and is hereby declared to the Equity Shareholders of the Company whose name appear in the Register of Members on 06th September 2024, out of the profits of the Company for the financial year ended on 31st March 2024."

3. To appoint a director in place of Mr. Sanjay Marathe (DIN: 01316388), who retires by rotation and being eligible, offers himself for re-appointment:

"RESOLVED THAT Mr. Sanjay Marathe (DIN: 01316388), Managing 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."

SPECIAL BUSINESS:

4. **To make investments and give advances and enter into Material Related Party Transaction(s) with Kalichem Private Limited (Joint Venture Company- an entity in whom directors are interested):**

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

"RESOLVED THAT pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), Section 177, 179, 185, 186 and 188 of the Companies Act 2013 and other applicable provisions of the Companies Act, 2013 ('Act'), if any, read with related rules, if any, each as amended from time to time, and the Company's Related Party Transactions Policy, on basis of the approval and recommendation of the Audit Committee and the Board of Directors of Company, the approval of the Members be and is hereby accorded to the Board of Directors of Company (hereinafter referred to as the "Board", which term shall be deemed to

include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to continue with the existing contract(s)/ arrangement(s)/ transaction(s) and/or enter into and/or execute new contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with Kalichem Private Limited, a Joint Venture Company of Chemcrux Enterprises Limited and accordingly a related party under Regulation 2(1)(zb) of the SEBI Listing Regulations and Section 2 (76) of the Companies Act, 2013; on such terms and conditions as may be agreed between the Company and Kalichem Private Limited, for an aggregate value up to Rs. 100 crores per annum for transactions involving for purchase and sale of goods, rendering and receiving of services, giving Loans, making investments, providing guarantees, infusing funds through inter corporate deposit in Kalichem Private Limited and other transactions of business to be entered during the period of 5 financial years commencing from 01st April 2024 till 31st March 2029, provided however that such contract(s)/ arrangement(s)/ transaction(s) are being carried out at arm's length and in the ordinary course of business of the Company.

“RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), agreement(s) and such other documents, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

“RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

“RESOLVED FURTHER THAT all actions taken by the Board, or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.”

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

**Place: Vadodara
Date: 30th July 2024**

**Sd/-
Dipika Rajpal
Company Secretary**

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts concerning the business under Item No. 4 of the accompanying Notice, is annexed hereto.
2. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 09/2023 dated 25th September, 2023 (MCA Circulars) & Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023, permitted convening the Annual General Meeting (“AGM”/ “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (“the Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as the 28th AGM of the Company is being held through VC / OAVM facility, the deemed venue for the AGM shall be the Registered Office of the Company.
3. Since this AGM is being held pursuant to the MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not

be available for the AGM and hence the Proxy Form is not annexed to this Notice. Further, Attendance Slip and Route Map are also not annexed to this Notice.

4. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available, electronically, for inspection by the Members during the AGM. All documents referred to in the Notice will be available electronically for inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to companysec@chemcrux.com.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM provided by NSDL will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. as they are allowed to attend the AGM without restriction on account of first come first served basis.
7. In compliance with the applicable MCA Circulars and SEBI Circulars, notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/Depositories/ Depository Participants. Members may note that the Notice and Annual Report 2023-24 is available on the Company's website that is www.chemcrux.com, website of the BSE Limited that is www.bseindia.com and on the website of NSDL (agency for providing the Remote e-Voting facility) at www.evoting.nsdl.com.
8. **The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 07th September 2024 to Friday, 13th September 2024 (both days inclusive) for annual book closure and record date/ cut off date shall be as on Friday, 06th September 2024 for determining the entitlement of shareholders to the final dividend. The cut off date shall be as on Friday, 06th September 2024 to determine the shareholders entitled to avail the facility of e-voting.**
9. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 issued by the Institute of Company Secretaries of India, details of director retiring by rotation & seeking re-appointment at the ensuing annual general meeting is given in [Annexure A](#) to this notice.
10. Subject to the provisions of section 126 of the Companies Act, 2013, final dividend as recommended by the Board of Directors for the year ended 31st March 2024, if approved and declared by the members at the ensuing AGM, will be paid to those Members within 30 days from the date of declaration, to those members whose names appear in the Register of Members as at the close of business hours on 06th September 2024 and in respect of shares held in dematerialized form, as per the list of beneficial owners furnished to the Company by NSDL/CDSL, as at the close of business hours on 06th September 2024.
11. ***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 Participants immediately and not to the Company. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details.***
12. ***Members holding shares in electronic form are hereby informed that bank particulars registered with their respective DPs, with whom they maintain their demat accounts, will be used by the Company for payment of dividend. Members who hold shares in electronic form and want to change/correct the bank account details should send the same immediately to their concerned DP and not to the Company.***
13. Pursuant to Finance Act, 2020, dividend income will be taxable to the shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The shareholders are requested to update their PAN with depositories/ DPs. Shareholders are requested to note

that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. The shareholders also are requested to refer to the Finance Act, 2020 and amendments thereof.

Further, the Company is sending a separate email communication to the shareholders, informing the relevant procedure to be adopted by them/documents to be submitted for availing the applicable tax rate. The same will also be available on the website of the Company www.chemcrux.com. The shareholders are requested to submit the requisite documents to the mail ids mentioned in the communication on or before 06th September 2024 to enable the Company to determine the appropriate TDS/withholding tax rate, as may be applicable.

14. M/s. Bigshare Services Private Limited, the Registrar and Transfer Agent (RTA) having their administrative office situated at S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai- 400093 in the State of Maharashtra, is handling registry work in respect of shares held both in physical form and in electronic/demat form.
15. **Green Initiative - Members who have not registered their e-mail addresses so far are requested to register their e-mail address with their respective DPs for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically. Members may also note that Annual Report for the FY 2023-24 will also be available on the website of the Company at www.chemcrux.com.**
16. SEBI vide its Circular dated July 31, 2023 issued guidelines for members to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common ODR portal. Members are requested to first take up their grievance, if any, with Company Secretary and Compliance Officer of the Company. If the grievance is not redressed satisfactorily, the member may escalate the same through: i) SCORES Portal in accordance with the SCORES guidelines, and ii) if the member is not satisfied with the outcome, dispute resolution can be initiated through the ODR Portal at <https://smartodr.in/login>. The ODR Portal link has been placed under Quick Links section along with the relevant circular as required. The mechanism can be initiated only post exhausting all actions for resolution of complaints including those received through the SCORES Portal.

17. VOTING THROUGH ELECTRONIC MEANS:

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 and relevant MCA Circulars, the Company is pleased to provide members facility of remote e-Voting to its Members in respect of the business to be transacted 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)**.

The instructions for members for remote e-voting and joining general meeting are as under: -

The remote e-voting period begins on Tuesday, 10th September 2024 (09:00 A.M. IST) and ends on Thursday, 12th September 2024 (05:00 P.M. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., 06th September 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 06th September 2024.

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

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

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained

with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with CDSL	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made

	available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

B. Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical

Your User ID is:

- a) For Members who hold shares in demat account with NSDL.
- b) For Members who hold shares in demat account with CDSL.
- c) For Members holding shares in Physical Form.

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*****.

16 Digit Beneficiary ID
For example if your Beneficiary ID is 12***** then your user ID is 12*****.

EVEN Number followed by Folio Number registered with the company
For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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

- a) If you are already registered for e-Voting, then you can 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, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

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

Details on Step 2 is given below:

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
 2. Select “EVEN” of company <CHEMCRUX ENTERPRISES LIMITED> for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
 3. Now you are ready for e-Voting as the Voting page opens.
 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
 5. Upon confirmation, the message “Vote cast successfully” will be displayed.
 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page
 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- ❖ 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).
 - ❖ 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 that is 06th September 2024.
 - ❖ 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., 06th September 2024, may obtain the login ID and password by sending a request at evoting@nsdl.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 toll-free no.’s mentioned in the Notice.

- ❖ The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility during the AGM.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E-MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to companysec@chemcrux.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to companysec@chemcrux.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

GENERAL INSTRUCTIONS:

- a. **The remote e-voting period commences on Tuesday, 10th September 2024 (09:00 a.m. IST) and ends on Thursday, 12th September 2024 (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 06th September 2024 may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter but will again be opened during the AGM. 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, 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 within the prescribed time period 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 to the Chairman or a person authorised by him in writing, who shall countersign the same. The voting results shall be declared by the Chairman or a person authorised by him within two working days of conclusion of this AGM. 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 Exchange- BSE Limited.
- 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.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- 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: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.com.



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

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

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting need to register themselves as a speaker by sending a request from their registered e-mail address mentioning their name, demat account number/folio number, email id, mobile number at companysec@chemcrux.com in ten (10) days advance i.e., by 03rd September 2024. Those shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.

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

**Place: Vadodara
Date: 30th July 2024**

**Sd/-
Dipika Rajpal
Company Secretary**

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013:

Special Business: Item No. 4

Kalichem Private Limited being the Joint Venture Company, is a Related Party of the Company within the meaning of Section 2 (76) of the Companies Act, 2013 and Regulation 2(1) (zb) of the SEBI Listing Regulations.

In terms of section 185, 186 and other applicable provisions if any, of the Companies Act, 2013, a Company may make investments & advance any loan, including any loan represented by a book debt, to any entity in whom any of the Directors of the Company are interested or give any guarantee or provide any security in connection with any

loan taken by any such person, subject to the condition that approval of the shareholders of the Company is obtained by way of passing a Special Resolution.

The Company is proposing to enter into certain business transactions with Kalichem Private Limited for the 5 Financial Years commencing from 01st April 2024 till 31st March 2029. The nature of transaction(s) also attracts provisions of Section 177, 179 and 188 of the Companies Act, 2013 read with Regulations 23 of SEBI Listing Regulations, 2015 and Related Party Transaction Policy of the Company along with Section 185 and 186 of the Companies Act, 2013. The transactions proposed are involving purchase and sale of goods, rendering and receiving of services, giving loans, making investments, providing guarantees, infusing funds through inter corporate deposits, other business transactions, etc. The value of transactions (for which the approval is being sought) for the period commencing from April 01, 2024 till the date of this Notice has not exceeded the materiality threshold. All transactions to be entered into by the Company with Kalichem Private Limited are in the ordinary course of business and are on arm's length basis and reviewed and recommended by the Audit Committee/ Board for placing it for approval of the shareholders in compliance with the provisions of the Act/ Listing Regulations/ Related Party Transaction Policy of the Company. It may be noted that as per the definition provided in the explanation to Regulation 23 (1) of Listing Regulations, a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1,000 Crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower. Further, all Material Related Party Transactions require prior approval of the Members through a Resolution, and no related party shall vote to approve such Resolution whether the entity is a related party to the particular transaction or not.

Chemcrux Enterprises Limited has been entering into similar transactions with Kalichem Private Limited in the previous years which were within the threshold limit. The value of transactions during past years is as under:

FY: 2023-24: 101.12 Lakhs

FY: 2022-23: 942.03 Lakhs

FY: 2021-22: 128.42 Lakhs

The value of transactions with Kalichem Private Limited for the 5 Financial Years commencing from 01st April 2024 till 31st March 2029 are estimated to be upto Rs. 100 Crores (upto Rupees Hundred Crores only) per annum and this amount exceeds the threshold limit ten per cent of the annual consolidated turnover of the listed entity, one of the criteria prescribed above in the definition of Material Related Party Transactions and therefore it is a Material Related Party Transaction. In terms of Regulation 23(4) of the Listing Regulations and Section 185, 186 & 188 of the Companies Act, 2013, approval of the members of the Company is required by way of passing of a Special Resolution for the aforesaid Material Related Party Transactions to be entered into for the aforesaid period.

Details to be placed before members in line with the SEBI Circular are given below: -

Sr. No	Description	Details
1.	Type, material terms and particulars of the proposed transaction	Transactions involving purchase and sale of goods, rendering and receiving of services, giving Loans, making investments, providing guarantees, infusing funds through inter corporate deposit and other permissible transactions of similar nature as detailed above. All transactions to be entered into are at arm's length and ordinary course of business.
2.	Name of the related party and its relationship with Chemcrux, including nature of its concern or interest (financial or otherwise)	Kalichem Private Limited is a Joint Venture Company in which Chemcrux has a stake of 50% in Share Capital. Mr. Girishkumar Shah and Mr. Sanjay Marathe also hold directorship in Kalichem Private Limited (JV Company).

3.	Tenure of the proposed transaction (particular tenure shall be specified)	Recurring Nature and approval are for 5 Financial Years commencing from 01 st April 2024 till 31 st March 2029
4.	Value of the proposed transaction	Upto Rs.100 Crores per annum
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year (FY2023-24), that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	Around 127%
6.	If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure. iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Own Funds – Internal Accruals No Unsecured Loan: A moratorium is in place on both interest payments and principal repayment until the end of fiscal year when commercial production starts. In next two years, only interest payments will be made. The principal will then be repaid over five annual installments, with interest payments continuing during this period. Rate of Interest: prevailing market rates (currently 9.25%) Business Purposes
7.	Justification as to why the RPT is in the interest of the listed entity	Arrangement is commercially beneficial and would help Company expand its business when the JV will become operational
8.	Valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction	Not Applicable
9.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to

		Section 102(1) of the Companies Act, 2013 forming part of this Notice
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Relevant documents, if any, in respect of the said item will be available for inspection in electronic form on request by the members of the Company, up to the last date of the remote e-voting. Mr. Girishkumar Shah and Mr. Sanjay Marathe also hold directorship in Kalichem Private Limited (JV Company).

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested financially or otherwise in the Item No. 4 of the Notice, except Mr. Girishkumar Shah & Mr. Sanjay Marathe directors are deemed to be concerned or interested in the said Special Resolution to the extent of their shareholding in the Company.

The Board of Directors, accordingly, recommends the passing of the proposed Special Resolution as contained in Item No. 4 of the Notice.

Annexure – A

Details of Director seeking re-appointment at the ensuing Annual General Meeting (PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STATNDARD-2 ON THE GENERAL MEETINGS)

NAME OF DIRECTOR	MR. SANJAY MARATHE, 67 years (DIN: 01316388)
Date of Birth (DD/MM/YYYY)	05/11/1956
Designation	Managing Director
Date of Appointment	15/04/1996
Terms and conditions of appointment/re-appointment	Re-appointment on rotation
Qualifications	Bachelor of Engineering in Chemical M. Tech from Indian Institute of Technology (IIT)
Expertise in Specific Functional Area	Production
Directorship in other companies	Kalichem Private Limited (JV Company) – Nominee Director of Chemcrux Enterprises Limited
Membership of committees in public limited companies	Chemcrux Enterprises Limited CSR Committee (Chairperson) Stakeholders Relationship Committee (Member)
Inter relationship	Promoter, Managing Director & Husband of Mrs. Neela Marathe (Non-Executive & Non- Independent Director upto 04/08/2023)
No. & % of Equity Shares held in the Company (as on 31/03/2024)	5399740 (36.46%)
Number of Board Meetings attended during the financial year 2023-24	5 of 5
Details of remuneration last drawn (FY 2023-24)	Rs. 1,20,00,000/- as Salary Rs. 33,60,000/- as Performance Bonus
Name of Listed Companies from which the Director resigned during last three years	N.A.

BOARD'S REPORT

Your Directors have pleasure in presenting the 28th Annual Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March 2024.

1. FINANCIALS:

[Rupees in Lakhs except EPS]

PARTICULARS	2023-24	2022-23	2023-24	2022-23
	STANDALONE		CONSOLIDATED	
Revenue from Operations	7846.53	9515.24	7846.53	9515.24
Other Income	133.54	105.21	133.54	105.21
Total Revenue	7980.07	9,620.45	7980.07	9,620.45
Less: Expenses before Interest and Depreciation	-6525.15	-7370.10	-6525.15	-7370.10
Less: (a) Interest	-83.24	-81.84	-83.24	-81.84
(b) Depreciation	-228.52	-203.72	-228.52	-203.72
Profit Before Tax	1143.15	1964.80	1143.15	1964.80
Less: Tax Expenses				
Current Tax	-285	-476.26	-285	-476.26
Deferred Tax	-11.89	-52.87	-11.89	-52.87
Prior year's Income Tax Adjustment	-1.83	0.15	-1.83	0.15
Profit after Tax	844.43	1435.83	844.43	1435.83
Other comprehensive income				
i. Items that will not be reclassified to profit or loss: Defined Benefit Plan	-45.09	11.79	-45.09	11.79
ii. Income tax relating to items that will not reclassified to profit or loss	11.35	-2.97	11.35	-2.97
iii. Items that will be reclassified to profit or loss -Fair Value Gain on Investments	133.65	31.76	133.65	31.76
iv. Income tax relating to items that will be reclassified to profit or loss	-33.64	-7.99	-33.64	-7.99
Total other comprehensive income, net of tax	66.27	32.59	66.27	32.59
Total comprehensive income for the year	910.70	1468.42	910.70	1468.42
Earnings per Share	5.70	9.70	5.70	9.70

2. KEY FINANCIAL RATIOS :

Ratio	Numerator	Denominator	Mar-24	Mar-23	% Variance	Reason for variance
(a) Current ratio (times)	Total Current Assets	Total Current Liabilities	3.88	3.99	-2.65%	-
(b) Debt-equity ratio (times)	Short Term Borrowing + Long Term Borrowing	Total Equity	0.35	0.20	75.00%	The increase in the ratio is due to an increase in long term borrowings.
(c) Debt service coverage ratio (times)	Profit Before Interest and Tax	Total Debts Service (Interest + Finance Lease Payment + Principal Repayment)	0.42	1.13	-62.47%	The decrease in the ratio is due to an increase in the borrowing cost.

Ratio	Numerator	Denominator	Mar-24	Mar-23	% Variance	Reason for variance
(d) Return on equity ratio (percentage)	Net Profit after Tax	Total Equity	12.18%	23.72%	-48.64%	Decrease in ratio due to decrease in net profit
(e) Inventory turnover ratio (times)	Net Sales	Average Inventory	6.97	7.42	-5.95%	-
(f) Trade receivables turnover ratio (times)	Net Sales	Average Trade Receivables	5.46	5.89	-7.27%	-
(g) Trade payables turnover ratio (times)	Net Purchases	Average Trade Payable	3.34	4.45	-25.05%	The decrease in the ratio is due to an increase in average trade payable.
(h) Net Working capital turnover ratio (times)	Net Sales	Working Capital	3.75	4.13	-9.14%	-
(i) Net profit ratio (percentage)	Net Profit	Sales	10.76%	15.09%	-28.68%	Decrease in ratio due to decrease in net profit
(j) Return on capital employed (percentage)	Earning Before Interest and Tax	Capital Employed	11.82%	21.57%	-45.18%	Decrease in ratio due to decrease in earning before interest and tax
(k) Return on investment (percentage)	Profit After Tax	Total Assets	7.69%	15.40%	-50.10%	Decrease in ratio due to decrease in net profit

3. DIVIDEND:

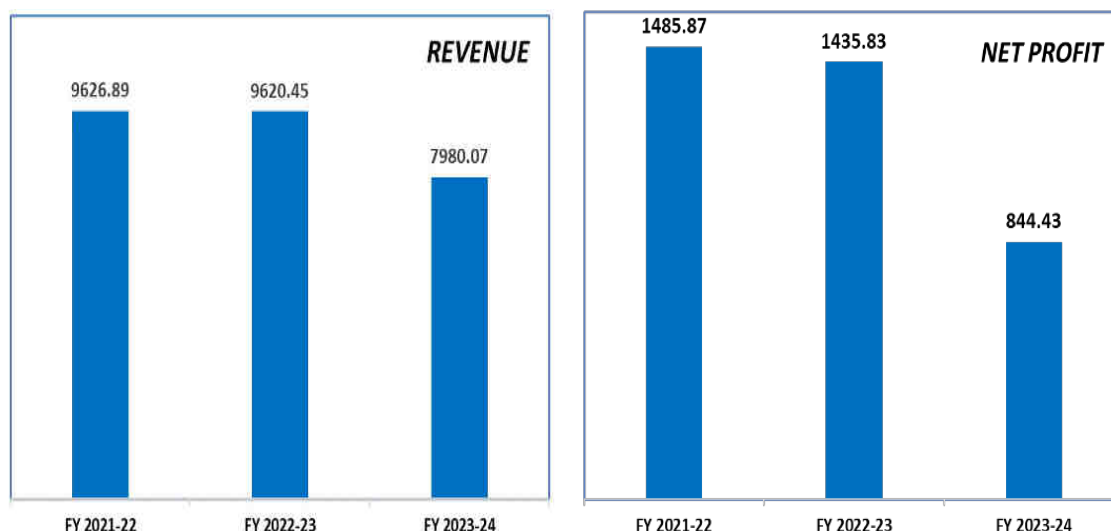
Dividend is recommended by your Board taking into consideration the factors like overall profitability, cash flow, capital requirements and other business needs of your company. Your Board of Directors are pleased to recommend a final dividend of Re. 1/- per equity share (10%) on 1,48,08,840 equity shares of Rs.10/- each subject to approval of shareholders at the forthcoming Annual General Meeting. The Dividend when approved, would result in a total outflow of Rs. 148.09 Lakhs. According to Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by the Company is taxable in the hands of shareholders and the Company is required to deduct tax at source (TDS) from dividend paid to the shareholders at the applicable rates.

4. OPERATIONAL HIGHLIGHTS:

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

Rs. In Lakhs (except EPS)	FY 2021-22	FY 2022-23	FY 2023-24	% Change (1 year)	% Change (2 years)
Revenue	9626.89	9620.45	7980.07	-17.05	-17.11
EBDITA	2170.35	2250.36	1454.92	-35.35	-32.96
Profit before Tax	1994.81	1964.80	1143.15	-41.82	-42.69
Net Profit	1485.87	1435.83	844.43	-41.19	-43.17
Networth	5468.34	6640.58	7225.85	8.81	32.14
EPS	10.03	9.7	5.7	-41.24	-43.17

KEY FINANCIALS CHART –3 YEARS PERIOD



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. 15,00,00,000/- divided into 1,50,00,000 equity shares of Rs. 10 each. The paid-up share capital of the company is Rs. 14,80,88,400/- divided into 1,48,08,840 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 your Company were listed on SME segment of BSE Limited since March, 2017. Further, equity shares of the Company have Migrated from SME Platform of BSE Limited to Main Board of BSE Limited w.e.f. 05th May 2022.

6. TRANSFER TO RESERVE:

The Company does not propose to transfer any amount to the general reserve out of the amount available in reserves and surplus.

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 has taken credit facilities of up to Rs. 32 Cr in nature of Term Loan and Cash credit for expansion. 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 2023-24.

9. MATERIAL EVENTS OCCURING AFTER THE END OF FINANCIAL YEAR AND UPTO THE DATE OF REPORT:

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 relates and the date of the Board Report.

10. ORDER OF AUTHORITIES/ COURT/ REGULATORS:

No order of any government, state, local or statutory authorities were received during the FY 2023-24 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:

Your Company is certified with ISO 50001: 2018 Certification by TUV Rheinland. Your Company is compliant with the Energy Management Systems and aims to improve energy efficiency and consumption thereby resulting in costs reduction and increase in productivity. During the FY 2023-24, Energy consumption was 3336.555 mwh and cost incurred was Rs. 300.27 lakhs.

(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.

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 R&D facility located at GIDC, Ankleshwar Gujarat.

RESEARCH AND DEVELOPMENT EXPENDITURE	Amt (In Lakhs)
Capital expenditure	427.94
Revenue expenditure	13.14

(C) Foreign exchange earnings and Outgo:

PARTICULARS	Amt (In Lakhs)
Foreign Exchange earned in terms of actual inflows during the year	1437.79
Foreign Exchange outgo during the year in terms of actual outflows	558.79

(D) Environment:

Your Company is ISO 14001:2015 certified which specifies the requirements for the formulation and maintenance of an environmental management systems (EMS). During the year your Company has complied with local and regulatory environment laws and regulations. We strive actively to reduce the overall impact on the environment by targeting annual reductions in our carbon intensity and the management of waste, water, vehicle emissions and energy consumption. The Board of Directors have the Environment Policy outlining our commitment to conduct operations in environment friendly and responsible way. The policy can be accessed at the website at www.chemcrux.com.

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. On account of outbreak of Covid global pandemic and uncertainty caused by it, Company adopted Risk Management Policy to minimize the impact on its operations, customers, suppliers and employees.

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 are applicable to the Company. In line with same, a Corporate Social Responsibility Committee has been constituted by the Board of directors. As on 31st March 2024, the Committee composition is as follows: Mr. Sanjay Marathe- Chairman of the CSR Committee, Mrs. Sidhdhi Shah & Mr. Mukund Bakshi – members of the CSR Committee. The Company has in place a Corporate Social Responsibility Policy which indicates the activities to be undertaken by the Company in areas or subjects specified in schedule VII of the Companies Act, 2013. Accordingly, during the FY 2023-24 as approved by the CSR Committee, the amount for CSR expenditure amounting to Rs. 34,51,000/- was spent in areas specified under schedule VII of the Companies Act, 2013. Please refer [Annexure V](#) for further details and click on the link <https://www.chemcrux.com/investor-info.php> under investors info/Corporate Policy link to access the CSR Policy of Company.

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

There Company has granted loan to Kalichem Private Limited and given Corporate Guarantee for Kalichem Private Limited (Joint Venture Company) by complying with section 185 & 186 of the Companies Act, 2013 - a company where directors are interested. The amount of Loan granted during the FY 2023-24 is amounting to Rs. 70 Lakhs and no Corporate Guarantee given during FY 2023-24. However, the Corporate Guarantee amounting to Rs. 750 Lakhs was given in previous year (FY 2022-23). The same was in line with the resolution approved by members at the 25th AGM held on 24th August 2021. The details are given in the financial statements. 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 Audit Committee as per the omnibus approval of Audit Committee. Further, as there are no material related party transactions during the year and thus a disclosure in Form AOC-2 in terms of Section 134 of the Act is not required.

The Board of Directors of the Company have adopted 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 <https://www.chemcrux.com/investor-info.php> under investors info/Corporate Policy.

16. DIRECTORS / KEY MANAGERIAL PERSONNEL:

During the year, following changes were there in the directors and KMPs:

- Mrs. Neela Marathe has resigned as Director (Non-Executive Non-Independent) w.e.f. end of business hours of 04th August 2023.
- Mrs. Sidhdhi Shah was appointed an Additional (Non-Executive Non-Independent) Director w.e.f. 04th August 2023 and at the 27th AGM held on 12th September 2023 her appointment was regularised and she was appointed as a Non-Executive (Non-Independent) Director by members and she is liable to retire by rotation.
- Mr. Krutarth Parikh resigned from the post of Chief Financial Officer (CFO) of the Company from close of business hours of 13th September 2023 and Mr. Ramesh Kambariya has been appointed in his place to take over the charge as the Chief Financial Officer of the Company w.e.f. 08th December 2023.
- Mr. Girishkumar Shah has been re-appointed as Whole Time Director of the Company designated as Executive Chairman w.e.f. 01st January 2024 for a term of 5 years and remuneration to him is payable as per the resolution approved by the members at AGM held on 12th September 2023.
- Mr. Sanjay Marathe has been re-appointed as Managing Director of the Company w.e.f. 01st January 2024 for a term of 5 years and remuneration to him is payable as per the resolution approved by the members at AGM held on 12th September 2023.

- In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Sanjay Marathe, Managing Director shall retire by rotation in the ensuing Annual General Meeting and being eligible for re-appointment has offered his candidature for directorship.

➤ **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, committees and the directors individually. Evaluation criteria include accountability, governance, board operations, legal responsibilities, financial overview, board management relations and personal leadership. The Board of the Company was satisfied with the functioning of the Board and its Committees as well as contribution of 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 was last revised on 08th December 2023 and is available at the website of company at <https://www.chemcrux.com/investor-info.php> under investors info/Corporate Policy. Further, the salient features of the policy are available in the Corporate Governance Report which is annexed as [Annexure I](#).

➤ **MEETINGS:**

During the year under review, five Board Meetings and five Audit Committee Meetings were held. The Company has also constituted Nomination and Remuneration Committee, Stakeholders relationship committee and Corporate Social Responsibility Committee as per the provisions of the Companies Act 2013 and SEBI (LODR) Regulations, 2015. The Committee meetings are held as per the requirement of the applicable laws. The details are given in the Corporate Governance Report which is annexed as [Annexure I](#). The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations.

➤ **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 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and the relevant rules. The letter of appointment to Independent Directors as provided under Companies Act, 2013 has been issued and placed on website of the Company: www.chemcrux.com. The Independent Directors confirm that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that he is independent of the management.

17. AUDIT COMMITTEE AND VIGIL MECHANISM & WHISTLE BLOWER:

The Audit Committee as on 31st March 2024, has 3 members - Mr. Mukund Bakshi –Independent Director (Chairman), Mr. Shailesh Patel – Independent Director and Mr. Bhanubhai Patel – Independent Director. During the year five Audit Committee Meetings were held. The details of the same are given in Corporate Governance Report. In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The revised Vigil Mechanism & Whistle Blower Policy has been uploaded on the website of the Company at <https://chemcrux.com/investor-info.php> investors info/Corporate Policy.

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

Pursuant to Section 134(3)(a) and 92(3) of the Act, the Annual Return of the Company has been placed on the website of the Company at <https://www.chemcrux.com/investor-info.php>.

In terms of Rules 11 and 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return shall be filed with the Registrar of Companies, within the prescribed timelines.

20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary Company. A Joint venture Agreement has been entered with Kalintis Healthcare Private Limited & a Joint Venture Company under the name Kalichem Private Limited w.e.f. 22nd December 2021 has been formed. The details are in form AOC-1 ([Annexure IV](#)).

21. DEPOSITS:

The Company has neither accepted nor renewed any deposits during the year under review. No Unsecured loan availed from Directors during the year.

22. AUDITORS:

➤ STATUTORY AUDITORS

M/s. R.J. Shah & Associates completed their term of 5 years as Statutory Auditors upon conclusion of 27th Annual General Meeting of the Company held on 12th September 2023.

During the year, the Board of Directors at their meeting held on 04th August 2023, recommended the appointment of M/s. Naresh & Co., Chartered Accountants, Vadodara (FRN: 106928W) as Statutory Auditors from the conclusion of the 27th AGM till conclusion of 32nd AGM to be held in the year 2028 (for FY ending 31st March 2028). Their appointment has been approved by the shareholders at the 27th AGM. As required under Listing Regulations, the auditors confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The [report of the Statutory Auditors](#) of the Company is annexed and is forming part of the Annual Report.

➤ 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 appointed M/s. Kashyap Shah & Co., Practising Company Secretaries; to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "[Annexure III](#)".

➤ INTERNAL AUDITORS:

M/s. Naresh & Co., Chartered Accountants, Vadodara were the Internal Auditors till completion of 1st Quarter of FY 2023-24. Then, the Board has appointed K R & Associates, Chartered Accountants, Vadodara (FRN: 131846W) as the Internal Auditors, to conduct the Internal Audit from the 2nd quarter onwards for the FY 2023-24. The report of Internal Auditors is reviewed by the Audit Committee.

Based on the work performed by them during FY 2023-24, the Board has re-appointed M/s KR & Associates, Chartered Accountants, Vadodara (FRN: 131846W) from the FY 2024-25 onwards as Internal Auditors for conducting Internal Audit of the Company w.e.f. 01/04/2024 at their meeting held on 06th May 2024.

23. OBSERVATION OF AUDITORS:

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors, Internal 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 Shares during the year under review.
- d. **EMPLOYEES STOCK OPTION PLAN:** The Company has not provided any Stock Option Scheme to the employees.

26. CORPORATE GOVERNANCE:

As per Regulation 34(3) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate Section on Corporate Governance ([Annexure I](#) to the Board's Report) on corporate governance practices followed by the Company, together with a certificate from the Company's Secretarial Auditor confirming compliance forms an integral part of this Report.

27. AWARDS AND RECOGNITIONS:

The Company has following recognitions and/or awards:

- One Star Export House
- AEO - T1 Certificate
- 2019 - SKOCH order of Merit (top 200 MSMEs)
- 2020 - 4th IPF Excellence Award (fast growing SME)
- 2021 - 1st Rank in Top 50 SME Companies (Dalal Street Investment Journal June 07-20, 2021 edition)
- Recognized as FT High-Growth Companies Asia-Pacific 2023 & India's Growth Champions 2023
- Company has recently received "COMMITTED" badge from ECOVADIS

28. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report at [Annexure II](#).

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 Managing Director – 46.59:1 (Rs. 1,53,60,000: 3,29,700)

Ratio of remuneration of Whole Time Director – 46.59:1 (Rs. 1,53,60,000: 3,29,700)

Other Directors – Not Applicable as they are only paid sitting fees.

- 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 2023-24, there was 30.61% increase in remuneration of WTD and MD. There is 3.28% of increase in remuneration of CS and for CFO no comparative figures are available as he is appointed w.e.f. 08/12/2023.**
- c) The percentage increase in the median remuneration of employees in the financial year – **Median Remuneration is Rs. 3,29,700 and average increase was 5% during the F.Y. 2023-24.**
- d) The number of permanent employees on the rolls of the Company as on 31.03.2024 – **98**
- 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 5% increase in salaries of Employees and 30.61% increase in Managerial Remuneration of Directors during F.Y. 2023-24. The increase in remuneration of managerial personnel is commensurate with the efforts put in by them in leading the Company to greater heights and as per required approvals.**
- 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 performing 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.**
 - The particulars of employees in the Company drawing remuneration aggregating to Rs. Rs. 1.02 crore or above per annum are as under:**

NAME	MR. GIRISHKUMAR SHAH, aged 68 years (DIN: 00469291)	MR. SANJAY MARATHE, aged 67 years (DIN: 01316388)
Designation	Whole Time Director (Executive Chairman)	Managing Director
Date of Appointment	15/04/1996	15/04/1996
Experience	4 + decades	4 + decades
Nature of Employment, whether contractual / otherwise	Whole Time Director, designated as Executive Chairman for 5 years as per appointment resolution dated 12/09/2023 w.e.f. 01/01/2024	Managing Director for 5 years as per appointment resolution dated 12/09/2023 w.e.f. 01/01/2024
Qualifications	Bachelor of Engineering in Chemical Post-graduate in Industrial Management	Bachelor of Engineering in Chemical (M. Tech) from Indian Institute of Technology (IIT)
No. & % of Equity Shares held in the company (as on 31/03/2024)	5399240 (36.46%)	5399740 (36.46%)
The last employment held by such employee before joining the Company	Self - Employed	Self - Employed
Details of remuneration last drawn (FY 2023-24)	Rs. 1,20,00,000/- as Salary Rs. 33,60,000/- as Performance Bonus	Rs. 1,20,00,000/- as Salary Rs. 33,60,000/- as Performance Bonus
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Husband of Mrs. Sidhdhi Shah (Non-Executive & Non- Independent Director w.e.f 04/08/2023)	Husband of Mrs. Neela Marathe (Non-Executive & Non- Independent Director upto 04/08/2023)

h) The statement containing names of top Ten employees (excluding directors) in terms of remuneration drawn and the particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014 is furnished as below:

SI No	EMPLOYEE NAME	DESIGNATION	Salary (p.a.)	Nature of employment (permanent/ Contract/ Otherwise)	Qualification	Experience (in years) as on 31.03.24	date of joining	Age as on 31.03.2024	Last employment	% of equity shares held as on 31.03.24	whether relative of director
1	Mr. Vipul Sanghvi	Factory Manager	1740000	Permanent	Mechanical Engineer	36 +	17-07-2009	57	Self-employed	0.0006687	No
2	Mr. Ramnaresh Yadav*	Production Manager	1044000*	Permanent	M. Sc.	25 +	04-03-2024	50	Ipca Laboratories Limited	-	No
3	Mrs. Heena Shah	QC Manager	799452	Permanent	B.pharm	16 +	01-01-2007	47	-	-	No
4	Mr. Balasaheb B. Jadhav	Executive Commerce	721704	Permanent	B.com	28+	01-03-1995	54	-	-	No
5	Mrs. Sunita Borade	Executive Officer	532224	Permanent	B.Com	16+	01-11-2007	54	Baroda Citizen Council	0.0000675	No
6	Mr. Ramesh Kambariya*	Chief Financial Officer	515400*	Permanent	M.Com, CA Inter	5+	13-09-2023	32	Kalintis Healthcare Private Limited	-	No
7	Mr. Sushil Tripathi	Assistant Manager Account	486192	Permanent	Graduate	22+	10-01-2011	51	Environ Engineering Company	0.0000338	No
8	Mr. Jignesh Chauhan	Lab Chemist	482832	Permanent	10, ITI - Lab Chemist	16+	10-07-2009	35	-	-	No
9	Mrs. Swati Sinha	Executive Officer	472152	Permanent	B.Sc	14+	15-06-2009	37	-	-	No
10	Mrs. Dipika Rajpal	Company Secretary & Compliance Officer	446172	Permanent	CS, LL.B.	4+	05-03-2021	28	Anmac Associates	0.0000338	No

* Have joined during the FY 2023-24 but their salaries have been adjusted to reflect full year's remuneration to ensure consistency and give accurate representation.

30. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, 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 employees (permanent, contractual, temporary, trainees) are covered under this policy. An Internal complaint committee is formed to look after complaints of employees. No complaints for sexual harassment were received during the year.

31. MAINTENANCE OF COST RECORDS:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 dated 31/12/2014, 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 your Company and your Company has maintained cost records for the FY 2023-24. However, cost audit was not applicable for the FY 2023-24.

32. CORPORATE GOVERNANCE AND FAIR BUSINESS PRACTICES:

The extant provisions of corporate governance prescribed under SEBI Listing Regulations were applicable to the Company for the FY 2023-24 and the Company has followed the said provisions and the report on the Corporate Governance is given in [Annexure I](#) to this Report. Company's approach to business is based

upon core set of values and ethics. The management of Company is dedicated to ethical, fair and just business practices. In line with this vision, the Board of Directors of the Company have in place the Business Ethics Policy, which is available at the website of company www.chemcrux.com.

33. COMPLIANCE WITH 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.

34. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THE CURRENT STATUS:

During the year under Review, neither any application was made, nor any proceedings were pending under Insolvency and Bankruptcy Code, 2016.

35. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF: Not Applicable

36. 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. The Company has in place Human Rights Policy Statement to express Company's commitment to do business with ethical values and embrace practices that supports human rights and labour laws on a continuous basis. The revised policy is available on the website of Company www.chemcrux.com.

37. CAUTIONARY STATEMENT:

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

38. ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to bankers, business associates, consultants, employees and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledge 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 : 30th July 2024**

**Sd/-
GIRISHKUMAR SHAH
CHAIRMAN
(DIN: 00469291)**

2.1 Annexure I - to the Board's Report 2023-24

CORPORATE GOVERNANCE REPORT 2023-24

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Chemcrux, is committed to the highest standards of fair, ethical and transparent governance practices. The corporate governance policies followed by Company are intended to ensure transparency in all dealings and to maximize long-term shareholder value by selling its goods and services. Company's corporate governance conforms to regulatory and legal requirements, such as the terms of Listing Regulations. Key aspects of the Company's Governance Processes are:

1. Clear statements of Board Processes and Board Executive linkage.
2. Disclosure, accountability, transparency, adequate systems and procedures to monitor the state of affairs of the Company to enable the Board in effectively discharging its responsibilities to the stakeholders of the Company.
3. Identification and management of key risks to delivery of performance of the Company.

2. BOARD OF DIRECTORS

The Company has a balanced structure of the Board which is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations"). As on 31st March 2024, the Board comprises of Six Directors (Four being Non-Executive Directors), of which three Directors are Independent Directors.

Mr. Girishkumar Shah- Whole Time Director is the Executive Chairman & Mr. Sanjay Marathe is the Managing Director. They both are promoters of the Company. Except Mr. Girishkumar Shah and Mrs. Sidhdhi Shah (Non-Executive Director w.e.f. 04th August 2023) related as husband and wife and Mr. Sanjay Marathe and Mrs. Neela Marathe (Non-Executive Director upto 04th August 2023) related as husband and wife, none of the Directors have any inter-se relation among themselves and any employee of the Company. Out of all NEDs, only Mrs. Neela Marathe (Non-Executive Director upto 04th August 2023) and Mrs. Sidhdhi Shah (Non-Executive Director w.e.f. 04th August 2023) hold 72 & 120 shares in the Company respectively and rest 3 (Independent Directors) do not hold any shares in the Company.

All Independent Directors on the Board are highly experienced, competent and renowned persons in their respective fields. They actively participate in the Board and Committee Meetings. The Board and Committee Meetings are convened by giving appropriate notice at least 7 days in advance of the date of meeting. The Directors are provided with appropriate information in the form of agenda items in a timely manner to enable them to deliberate on each agenda item and to make informed decisions. All significant developments and material events are brought to the notice of the Board. The gap between any two Board Meetings did not exceed one hundred twenty (120) days as prescribed under the Companies Act, 2013 and the Listing Regulations.

During the Financial year 2023-24, Five Board Meetings were held on following dates:

Date of the Meeting	Total Strength	No. of Directors' present
20 th May 2023	6	5
04 th August 2023	6	5
09 th November 2023	6	6
08 th December 2023	6	5
13 th February 2024	6	5

The Company's Internal Auditors, Statutory Auditors, Secretarial Auditors and CFO are invited to attend the meetings. The Company Secretary acts as the Secretary to the Board.

The last Annual General Meeting was held on 12th September 2023. Details of composition of the Board, attendance of Directors at the Board Meetings and last Annual General Meeting (AGM), other Directorships (excluding Private Limited Companies, Foreign Companies and Section 8 Companies), category and Committee positions as on 31st March 2024 are given below:

SR. NO.	NAME	DESIGNATION	DIN	No. of BM attended	Attended Last AGM (12/9/23)	*No. of Directorships in other public limited companies	**No. of Committee positions held in other public limited companies	
							Chairman	Member
1	Mr. Girishkumar Champaklal Shah	WTD-ED (Chairman-Promoter)	0046 9291	5 of 5	Yes	Nil	Nil	Nil
2	Mr. Sanjay Yashawantrao Marathe	MD-ED (Promoter)	0131 6388	5 of 5	Yes	Nil	Nil	Nil
3	Mrs. Neela Sanjay Marathe	NED (non-independent upto 04/08/2023)	0046 9204	2 of 2	NA	Nil	Nil	Nil
	Mrs. Sidhdhi Girish Shah	NED (non-independent w.e.f. 04/08/2023)	0046 9138	3 of 3	Yes	Nil	Nil	Nil
4	Mr. Bhanubhai Vashrambhai Patel	NED (I)	0072 7280	5 of 5	Yes	Nil	Nil	Nil
5	Mr. Shailesh Patel	NED (I)	0282 6895	3 of 5	Yes	Nil	Nil	Nil
6	Mr. Mukund Bakshi	NED (I)	0006 6993	3 of 5	Yes	1	Nil	Nil

*Excluding Chemcrux Enterprises Limited

** Other Board Committees mean Audit Committee and Stakeholders' Relationship Committee excluding Chemcrux Enterprises Limited committees (as on 31st March 2024)

ED- Executive Director, WTD- Whole Time Director, MD- Managing Director, NED (I)- Non-Executive Director (Independent), NED- Non-Executive Director

3. LIST OF DIRECTORSHIPS HELD IN COMPANIES AND CATEGORY OF DIRECTORSHIP:

Name of Director (as on 31 st March 2024)	Name of the companies in which the Director of the Company is a director	Category of Directorship in the companies
Mr. Girishkumar Champaklal Shah	Chemcrux Enterprises Limited	Whole Time Director, Executive Chairman
	Kalichem Private Limited	Nominee Director of Chemcrux Enterprises Limited
Mr. Sanjay Yashawantrao Marathe	Chemcrux Enterprises Limited	Managing Director
	Kalichem Private Limited	Nominee Director of Chemcrux Enterprises Limited
Mrs. Sidhdhi Shah	Chemcrux Enterprises Limited	Non-Executive Director- Woman Director
Mr. Bhanubhai Vashrambhai Patel	Chemcrux Enterprises Limited	Non-Executive (Independent) Director
	Kapil Organisers Private Limited	Director
Mr. Shailesh Patel	Chemcrux Enterprises Limited	Non-Executive (Independent) Director
Mr. Mukund Bakshi	Chemcrux Enterprises Limited	Non-Executive (Independent) Director
	Jindal Hotels Limited	Non-Executive (Independent) Director upto 31/03/2024

4. SKILL/ EXPERTISE/ COMPETENCE OF BOARD OF DIRECTORS:

The Board of Company comprises of qualified individuals who bring the required skills, competencies, expertise and diversity to the Board that allows them to contribute efficiently. The Board and Committees thereof, are committed to ensure that Company is compliant with Corporate Governance requirements. The Board has identified and briefly summarized key qualifications, skills and competence which are currently available with the Board in areas namely Leadership, Corporate Governance, Finance & Taxation, Legal, Global Business, Strategic Planning & Innovation. Further, the brief introduction of Board of Directors (forming part of Board as on 31st March 2024) is as under:

a. Girishkumar Shah, Promoter, Executive Chairman and Whole Time Director

Girish Shah is the Promoter, Executive Chairman and Whole Time Director. He holds a degree in Bachelor of Engineering in Chemical from the Maharaja Sayajirao University of Vadodara and post-graduate in Industrial Management from Indian Institute of Science, Bangalore (I.I.Sc.). He has an experience of 4 + decades in chemical industry. Presently, he heads Marketing and Finance division of the Company.

b. Sanjay Marathe, Promoter and Managing Director

Sanjay Marathe is the Promoter and Managing Director. He holds a degree in Bachelor of Engineering in Chemical from The Maharaja Sayajirao University of Vadodara and master's degree (M. Tech) from Indian Institute of Technology (IIT), Powai. He has an experience of 4 + decades in chemical industry. Presently, he is involved in overall production activities of the Company.

c. Shailesh Patel, Independent Director

Shailesh Patel has been appointed as Independent Director of Company with effect from September 30, 2016. He has completed his Bachelor of Commerce and Bachelor of law from, Maharaja Sayajirao University of Vadodara. He is a leading Advocate practicing in Vadodara.

d. Bhanubhai Patel, Independent Director

Bhanubhai Patel has been appointed as Independent Director of the Company with effect from September 30, 2016. He has completed his Bachelor of Science from Gujarat University and B.Sc. (Tech.) from University Department of Chemical Technology (UDCT), Mumbai, Maharashtra. He has experience of more than 35 years in the industry.

e. Mukund Bakshi, Independent Director

Mukund Bakshi has been appointed as an Independent Director with effect from December 22, 2021. He has done Master's in Commerce and is a Chartered Accountant (CA). He is in Practice since 1986, presently a partner with M/s. Mukund & Rohit, Chartered Accountants, Vadodara. He practices in the areas of Direct Taxes. He is also associated with various NGOs.

f. Sidhdhi Shah, Non-Executive Director

Sidhdhi Shah has been appointed as Non-Executive (Non-Independent) Director of the Company with effect from 04th August 2023. She has done Bachelor of Science (Physio) from The Maharaja Sayajirao University of Vadodara (M.S. University) & has expertise in management & administration. She is one of the subscribers of MOA of our Company.

5. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Regulation 25 (7) of the SEBI Listing Regulations mandates the Company to familiarize the Independent Directors about the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various programmes. The Executive Chairman and/or Managing Director has one to one discussion with the newly appointed Directors to familiarize them with the Company's operations. The Company through its Managing Director/ Whole time Director/ Senior Managerial Personnel familiarize the Independent Directors with the strategy, business and operations of the Company. The above programme also includes the familiarization on statutory updates and compliances as a Board member including their roles, rights and responsibilities. The Familiarization programme for Independent Directors is uploaded on the website of the Company: www.chemcrux.com under investor info. At the time of appointing a director, a formal letter of appointment is given to him / her, which inter alia explains the role, function, duties and responsibilities expected from him/her as a Director of the Company. The Director is also explained in

detail about the Compliances required from him/ her under the Companies Act, 2013, SEBI Listing Regulations 2015 and other relevant provisions and affirmation is taken with respect to the same.

6. EVALUATION:

During the year, the Board has carried out evaluation of its own performance and the performance of the committees of the Board and Independent individual Directors. The Board has evaluated the composition of Board, its committees, experience and expertise, performance of specific duties and obligations, governance matters, etc. with an aim to improve their effectiveness. Performance review of Board as a whole, individual Executive Directors and the Board Chairman was also carried out by Independent Directors at their separate meeting, inter alia covering respective attendance at Board / Committee meetings, contributions at the meetings, circulation of sufficient documents and information to the Directors, timely availability of the agenda, etc.

Further, the Board has carried out the evaluation of the Independent Directors, which included the performance of the Independent Directors and fulfilment of the independence criteria as specified in the Listing Regulations and their independence from the management. The Directors who were subject to evaluation did not participate in the proceedings of the meeting.

7. AUDIT COMMITTEE

TERMS OF REFERENCE:

The powers and terms of reference of the Audit Committee are in conformity with Section 177 of the Companies Act, 2013 and Regulation 18 and Part C of Schedule II of the Listing Regulations.

The Audit Committee acts as a link between the Statutory Auditors, Internal Auditors and the Board of Directors with purpose of assisting the Board in fulfilling its overall responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Audit Committee also oversees and reviews the functioning of a vigil mechanism and Whistle Blower Policy. All the members of the Audit Committee are financially literate and possess sound knowledge in finance and accounting practices. Besides having access to all the required information from within the Company, the Committee may obtain external professionals' advice, whenever required.

COMPOSITION:

The Audit Committee was constituted by the Board of Directors at its meeting held on 20th December 2016 and is reconstituted from time to time. The latest reconstitution was done on 23rd January 2023. The composition of the Audit Committee as on 31st March 2024 is as under:

SR. NO.	NAME	DESIGNATION	CATEGORY
1	Mr. Mukund Bakshi	Chairperson cum Member	Independent Director
2	Mr. Shailesh Patel	Member	Independent Director
3	Mr. Bhanubhai Patel	Member	Independent Director

The Audit Committee held five meetings and the time gap between any two meetings was less than 120 days. The dates of audit committee meetings and details of the attendance of the members of the committee are as under:

Name of Director	Audit Committee Meetings during 2023-24					
	20 th May 2023	04 th August 2023	09 th November 2023	08 th December 2023	13 th February 2024	% of attendance
Mr. Mukund Bakshi	-	Yes	Yes	Yes	-	60
Mr. Shailesh Patel	Yes	-	Yes	-	Yes	60
Mr. Bhanubhai Patel	Yes	Yes	Yes	Yes	Yes	100

Mr. Mukund Bakshi is the Chairman of the Audit Committee and he attended the last AGM of the Company held on 12th September 2023. All the members of Audit Committee have financial and accounting knowledge.

The Company's CFO is invited to attend the meetings. The Company Secretary acts as the Secretary to the Committee.

8. **NOMINATION AND REMUNERATION COMMITTEE:**

TERMS OF REFERENCE:

Committee's constitution and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 and Part D of Schedule II of the Listing Regulations, as amended from time to time.

The Committee to identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall also carry out evaluation of every director's performance. Committee formulates the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

COMPOSITION:

The Nomination and Remuneration Committee was constituted by the Board of Directors at its meeting held on 20th December 2016 and was last reconstituted on 22nd December 2021. The composition of the Nomination and Remuneration Committee as on 31st March 2024 is as under:

SR. NO.	NAME	DESIGNATION	Category
1	Mr. Bhanubhai Patel	Chairperson cum Member	Independent Director
2	Mr. Shailesh Patel	Member	Independent Director
3	Mr. Mukund Bakshi	Member	Independent Director

The Nomination and Remuneration Committee held three meetings during the FY 2023-24. The details of the attendance of the members of the committee are as under:

Name of Director	Nomination and Remuneration Committee Meetings during 2023-24			
	20 th May 2023	04 th August 2023	08 th December 2023	% of attendance
Mr. Bhanubhai Patel	Yes	Yes	Yes	100
Mr. Shailesh Patel	Yes	-	-	33.33
Mr. Mukund Bakshi	-	Yes	Yes	66.67

Mr. Bhanubhai Patel is the Chairman of the Nomination and Remuneration Committee and he attended the last Annual General Meeting held on 12th September 2023. The Company Secretary acts as the Secretary to the Committee.

The Board has approved the revised Nomination and Remuneration Policy on the recommendation of Nomination and Remuneration Committee on 08th December 2023. The main objectives of the Policy are outlined below:

- Recommending to the Board the appointment and re-appointment of Directors and senior management personnel and their remuneration.
- Specify the manner of performance evaluation of Directors.

Salient features of Nomination and Remuneration Policy and details of remuneration paid / payable to the Directors for the year ended 31st March 2024:

REMUNERATION OF DIRECTORS:

Non-Executive /Independent Directors:

- The Company pays sitting fees of Rs. 5,000/- for attending the meeting of the Board of Directors and Committee Meetings (for Audit Committee Meetings, Nomination and Remuneration Committee Meetings and Stakeholders Relationship Committee Meetings) to Non-Executive Directors. The revised policy is available at the website of company at www.chemcrux.com/investor-info.php.
- An Independent / Non- Executive Director is also reimbursed the expenses if any, incurred by him / her for attending the Board and / or Committee meetings.
- There are no pecuniary transactions or relationships between the Company and its Non-Executive Directors except those disclosed in the financial statements for the year ended on 31st March 2024.

Executive Directors:

- No sitting fees are paid to the Managing and Executive Directors.
- The Company pays remuneration to its Whole Time Director (Executive Chairman) and Managing Director by way of salary, allowances and perquisites as per the Company's rules. The salary and other perquisites are approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee and the remuneration is paid within the overall limits approved by the members of the Company.

Details of the remuneration / sitting fees paid / payable to all the Executive/ Independent / Non-Executive Directors for the year 2023-24 are given below:

(in Lakhs)

SR. NO.	NAME	GROSS SALARY	SITTING FEES	PERFORMANCE BONUS	TOTAL
1	Girishkumar Champaklal Shah	120	Nil	33.60	153.60
2	Sanjay Yashawantrao Marathe	120	Nil	33.60	153.60
3	Neela Sanjay Marathe (upto 04/08/2023)	Nil	0.15	Nil	0.15
	Sidhdhi Girish Shah (w.e.f. 04/08/2023)	Nil	0.15	Nil	0.15
4	Bhanubhai Vashrambhai Patel	Nil	0.70	Nil	0.70
5	Shailesh Patel	Nil	0.35	Nil	0.35
6	Mukund Bakshi	Nil	0.40	Nil	0.40

Linkage to Performance:

The relationship of remuneration to performance ties the part of remuneration to performance of Company and KMP. The level varies according to performance to be decided annually or at such other intervals as may be considered appropriate.

Evaluation Criteria:

The Board constantly evaluates the contribution of the members and re-appoints them for tenure as per Company requirement based on their performance linked to strategic objectives of the Company. Evaluation criteria include accountability, governance, board operations, legal responsibilities, financial overview, board management relations and personal leadership.

9. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to provisions of section 178 of the Act and regulation 20 of the Listing Regulations, Stakeholders Relationship Committee was originally formed in the Board Meeting held on 20th December 2016 and was last reconstituted on 04th August 2023. The Committee specifically looks into issues relating to investors including share related matters and redressal thereof.

The role of the Stakeholders' Relationship Committee as specified in Part D of the Schedule II of the Listing Regulations has been included in the terms of reference of the Stakeholders Relationship Committee.

TERMS OF REFERENCE:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

COMPOSITION:

The Stakeholders Relationship Committee was constituted by the Board of Directors at its meeting held on 20th December 2016 and was last reconstituted on 04th August 2023. The composition of the Stakeholders Relationship Committee as on 31st March 2024 is as under:

Sr. No	NAME OF DIRECTOR	DESIGNATION	CATEGORY
1	Mrs. Sidhdhi Shah	Chairperson cum Member	Director (Non-Executive)
2	Mr. Sanjay Marathe	Member	Managing Director (Executive)
3	Mr. Bhanubhai Patel	Member	Independent Director (Non-Executive)

The Stakeholders Relationship Committee held one meeting during the FY 2023-24 on 01st May 2023. The details of the attendance of the members of the committee are as under:

Name of Director	Stakeholders Relationship Committee Meeting during 2023-24	
	01 st May 2023	% of attendance
Mrs. Neela Marathe (Chairperson upto 04/08/23)	Yes	100
Mr. Sanjay Marathe	Yes	100
Mr. Bhanubhai Patel	Yes	100
Mrs. Sidhdhi Shah (Chairperson w.e.f. 04/08/23)	NA	NA

Mrs. Sidhdhi Shah is the Chairperson of the Stakeholders Relationship Committee and she was present in the last Annual General Meeting held on 12th September 2023. The Company Secretary acts as the Secretary to the Committee.

NO. OF COMPLAINTS:

The Company and / or its RTA have not received the complaints from SEBI / Stock Exchanges or directly from the shareholders.

NAME AND DESIGNATION OF THE COMPLIANCE OFFICER:

Mrs. Dipika Rajpal is the Company Secretary and Compliance Officer of the Company and the person responsible for resolution of Investor Complaints.

10. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The terms of reference of CSR Committee includes framing the CSR Policy and reviewing it from time to time to make necessary amendments so as to indicate the activities to be undertaken by the Company as specified in schedule VII of the Act and Rules made thereunder and to provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

During the year under review, CSR Committee recommended and the Board approved the CSR Expenditure to be incurred by the Company. The CSR Policy of the Company is available on the website of the Company at www.chemcrux.com. The details with regard to CSR, Policy, Projects, amount spent on CSR, etc. are provided in the Directors Report in [Annexure V](#) forming part of the Board Report.

The CSR Committee formulates and recommends to the Board, an annual action plan in pursuance of CSR policy which include the following activities to be carried out for implementing in the financial year:

- the list of CSR projects or programs that are approved to be undertaken in areas or subjects as specified in the Act and rules made thereunder;
- the manner of execution of such projects or programs as specified in the Act and rules made thereunder;
- the modalities of utilisation of funds and implementation schedules for the projects or programs;
- monitoring and reporting mechanism for the projects or programs; and
- details of need and impact assessment, if any, for the projects undertaken by the company.

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

The CSR Policy adopted by the Board of Directors has been placed on the website of the company at <https://chemcrux.com/investor-info.php> under Investor info tab.

CONSTITUTION:

The CSR Committee was constituted by the Board of Directors at its meeting held on 17th August 2019 and was last reconstituted on 04th August 2023. The composition of the CSR as on 31st March 2024 is as under:

SR. NO	NAME OF DIRECTOR	DESIGNATION	CATEGORY
1	Mr. Sanjay Marathe	Member-Chairperson	Managing Director (Executive)
2	Mrs. Sidhdhi Shah	Member	Director (Non-Executive)
3	Mr. Mukund Bakshi	Member	Independent Director (Non-Executive)

The CSR Committee held one meeting during the FY 2023-24 on 20th May 2023. The details of the attendance of the members of the committee are as under:

Name of Director	Corporate Social Responsibility Committee Meeting during 2023-24	
	20 th May 2023	% of attendance
Mr. Sanjay Marathe	Yes	100
Mr. Mukund Bakshi	-	0
Mrs. Neela Marathe (member upto 04/08/23)	Yes	100
Mrs. Sidhdhi Shah (member w.e.f. 04/08/23)	NA	NA

The Company Secretary acts as the Secretary to the committee.

11. MEETING OF INDEPENDENT DIRECTORS:

The Company has complied with the definition of Independence as per Listing Regulations and according to the provisions of section 149(6) Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013 and regulation 25(8) of SEBI (LODR) Regulations 2015.

TRAINING OF INDEPENDENT DIRECTORS:

Whenever new Non-Executive and Independent Director/s are appointed in the Board, they are introduced to our Company's culture and they are also introduced to Company's organization structure, business, constitution, board procedures, major risks and management strategy. The Company also conducts familiarization programme for Independent Directors as per the applicable laws. The appointment letters & terms and conditions for appointment of Independent Directors have been placed on the Company's website at www.chemcrux.com under Investor info tab.

PERFORMANCE EVALUATION OF NON-EXECUTIVE AND INDEPENDENT DIRECTORS:

The Board has evaluated the performance of Non-executive and Independent Directors for the financial year ended 31st March 2024. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry, finance and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

A meeting of the Independent Directors was held on 13th February 2024 during the financial year 2023-24 without the attendance of Non-Independent Directors and members of Management for:

- Reviewing the performance of Non-Independent Directors and the Board as a whole;
- Reviewing the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessing the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to perform their duties effectively and reasonably.

All the Independent Directors except Mr. Mukund Bakshi attended the meeting.

12. GENERAL BODY MEETINGS:

ANNUAL GENERAL MEETING:

F.Y.	Date	Venue	Time	Special Resolution(s)
2020-21	24 th August 2021	AGM held Through Video Conference Hence Deemed Venue is Registered office of the Company: Chemcrux Enterprises Limited, 330, Trivia Complex, Natubhai Circle, Racecourse Road, Vadodara-390007	02:00 P.M.	1. Re-appointment of Mr. Shailesh Patel as Independent Director for 2 nd Term 2. Re-appointment of Mr. Bhanubhai Patel as Independent Director for 2 nd Term 3. Issue and Allotment of Bonus Shares 4. Proposal of formation of other entity in which directors are interested in granting loan and making investments All special resolutions passed with requisite majority.
2021-22	23 rd September 2022	AGM held Through Video Conference Hence Deemed Venue is Registered office of the Company: Chemcrux Enterprises Limited, 330, Trivia	02:00 P.M.	1. Regularisation of Additional Director, Mr. Mukund Bakshi (DIN: 00066993) by appointing him as an Independent Director for a term of 5 years. The special resolution passed with

		Complex, Natubhai Circle, Racecourse Road, Vadodara-390007		requisite majority.
2022-23	12 th September 2023	AGM held Through Video Conference; hence Deemed Venue is Registered office of the Company: Chemcrux Enterprises Limited, 330, Trivia Complex, Natubhai Circle, Racecourse Road, Vadodara-390007	02:00 P.M.	1. Re-appointment of Mr. Girishkumar Shah (DIN: 00469291), as Whole Time Director of the Company designated as Executive Chairman and approval of payment of remuneration 2. Re-appointment of Mr. Sanjay Marathe (DIN: 01316388) as Managing Director of the Company and approval of payment of remuneration All special resolutions passed with requisite majority.

No Extra-Ordinary General Meeting was held during the financial year 2023-24.

POSTAL BALLOT:

No resolution was passed through Postal ballot during the financial year 2023-24.

13. MEANS OF COMMUNICATIONS:

- The quarterly, half yearly and the annual audited results are disseminated to BSE Limited, where the shares of the Company are listed and on the website of the Company. The Company generally publishes the extract of results in Financial Express (English & Gujarati) newspapers.
- The Company discloses to the stock exchange regarding information required to be disclosed under regulation 30 read with Part A of Schedule III of the Listing Regulations, including material information which have a bearing on the performance / operations of the Company.
- All information is filed electronically on BSE's online portal and BSE Listing Centre.
- The annual report of the Company, quarterly, half-yearly and the annual financial statements of the Company are also placed on the Company's website at www.chemcrux.com and can be downloaded.
- The shareholders can visit the Company's website for financial information, shareholding information, all kinds of policies of the Company, annual reports of the previous Financial Years, etc.

14. GENERAL SHAREHOLDER INFORMATION:

(a)	28 th AGM Date, Time & Venue	Friday, 13 th September, 2024 02:00 P.M. IST Chemcrux Enterprises Limited, 330, Trivia Complex, Natubhai Circle, Racecourse Road, Vadodara- 390007 to be held through video conferencing/other audio-visual means	
(b)	Tentative Financial calendar for FY 2024-25	April 2024 to March 2025	
		1.	First Quarter Results (30/06/2024) – on or before 14 th August 2024
		2.	Second Quarter/ Half yearly Results (30/09/2024) – on or before 14 th November 2024
		3.	Third Quarter Results (31/12/2024) – on or before 14 th February 2024
		4.	Audited Results for the Fourth Quarter/ Year (31/03/2025) - on or before 30 th May 2025.
(c)	Date of Book closure	07 th September 2024 to 13 th September 2024 (both days inclusive)	

(d)	Dividend Payment date	Final dividend, if approved by the shareholders in the 28 th AGM will be paid within statutory time limit of 30 days from the date of Annual General Meeting i.e., on or before 13 th October 2024, at the rate of 10% per equity share (Re. 1/- per share) having face value of Rs. 10/- each.				
(e)	Listing on Stock Exchange	BSE Limited. Add.: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001. The Company has paid Listing Fees for the period 1 st April, 2024 to 31 st March 2025 to BSE Limited within the specified timeline.				
(f)	i. Stock Code	540395				
	ii. International Securities Identification No. (ISIN)	INE298W01016				
(g)	Market price Data	The Monthly High / Low market price of the shares during the financial year 2023-24 at the BSE Limited vis-à-vis Stock Performance in comparison to Broad-based indices BSE Sensex				
		Month	Monthly High (Rs.)	Monthly Low (Rs.)	Sensex High	Sensex Low
		Apr 2023	389.95	287.00	61209.46	58793.08
		May 2023	380.95	276.65	63036.12	61002.17
		June 2023	342.50	306.90	64768.58	62359.14
		July 2023	330.00	300.00	67619.17	64836.16
		Aug 2023	359.00	295.00	66658.12	64723.63
		Sep 2023	357.50	310.55	67927.23	64818.37
		Oct 2023	321.00	290.00	66592.16	63092.98
		Nov 2023	319.80	246.10	67069.89	63550.46
		Dec 2023	318.00	275.00	72484.34	67149.07
		Jan 2024	314.00	276.25	73427.59	70001.60
		Feb 2024	326.00	275.00	73413.93	70809.84
Mar 2024	305.00	253.00	74245.17	71674.42		
(h)	Performance with Broad Base Indices (BSE Sensex)	Particulars		Chemcrux Enterprises Limited		BSE Sensex
		As on 01 st April 2023		295.15		59,106.44
		As on 31 st March 2024		258.00		73,651.35
		Changes (%)		(12.59)		24.61
(i)	Registrar and Transfer Agents	Bigshare Services Private Limited (SEBI Registration No.: INR000001385) CIN: U99999MH1994PTC076534 Address: S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai, Maharashtra-400093 Ph. No.: 022 - 40430200 / 62638200 Email: info@bigshareonline.com				
(j)	Share Transfer System	Bigshare Services Private Limited, being the Registrar & Transfer Agent (RTA) handle requests for transfer, transmission, transposition, dematerialization, rematerialization and other investor related services. These activities are handled under the supervision of and co-ordination with the Company Secretary who is also the Compliance Officer under the Listing Regulations. *All the shares of the Company are in demat form.				

14. DISTRIBUTION OF SHAREHOLDINGS AS ON 31ST MARCH 2024:

Shareholding of Nominal		Number of Shareholders	Percentage of Total	Share Amount (in Rs.)	% of Total
Rs.	Rs.				
1	5000	30958	97.73	15210580	10.27
5001	10000	346	1.09	2603410	1.76
10001	20000	203	0.64	2950350	1.99
20001	30000	50	0.16	1319130	0.89
30001	40000	29	0.09	1047330	0.71
40001	50000	20	0.06	931800	0.63
50001	100000	27	0.09	1868490	1.26
100001 and above		43	0.14	122157310	82.49
TOTAL		31676	100.00	148088400	100

15. DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The Company's equity shares are compulsorily traded in dematerialized form on BSE and 100% of the equity shares are in dematerialized form. ISIN number the Company is INE298W01016. The Company has demat connectivity with National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL).

16. PLANT LOCATIONS:

Location	Address
Gujarat	4712-14, Road South-10, GIDC, Ankleshwar, Bharuch, Bharuch, Gujarat, 393002 (Factory)
Gujarat	307, 308 to 311/10, Ankleshwar industrial estate, GIDC, Ankleshwar, Bharuch, Gujarat, 393002 (R&D and warehouse)

17. ADDRESS FOR CORRESPONDENCE:

Shareholders correspondence should be addressed to the Company Secretary of the Company at registered office. Contact details: companysec@chemcrux.com

18. DISCLOSURES:

RELATED PARTY TRANSACTIONS:

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. The details of the related party transactions are set out in the notes to the financial statements forming part of this Annual Report. Company's Policy on related party transactions is uploaded on the website of the Company: <https://chemcrux.com/investor-info.php>.

CODE OF CONDUCT:

The Company has laid down a Code of Conduct for all Board members and Senior Management. The Code of Conduct is available on the website of the Company at <https://chemcrux.com/investor-info.php>. All Board Members and the Senior Management have affirmed compliance with the Code of Conduct for the year under review. The declaration of Managing Director is [annexed](#).

WHISTLE BLOWER POLICY/VIGIL MECHANISM:

- The Company has established a Vigil Mechanism / Whistle Blower Policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct. The details of establishment of such mechanism have been posted by the Company on its website. During the year under review, none of the employee was denied access to the Audit Committee.
- There was no non-compliance by the Company during the last three financial years and hence no penalties, strictures were imposed on the Company by stock exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three financial years.

19. MANAGEMENT:

A. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report is set out in a separate section as [Annexure II](#) and forms a part of this Report.

B. DISCLOSURE OF MATERIAL FINANCIAL AND COMMERCIAL TRANSACTIONS:

As per the disclosures received from all the Directors and the Senior Management, no material financial and commercial transactions that may have a potential conflict with the interest of the Company at large were reported to the Company during the year under review.

20. REASON FOR RESIGNATION OF INDEPENDENT DIRECTORS:

During the year under review, no Independent Director has resigned from the Company.

21. CREDIT RATINGS:

During the year Company has not obtained any credit rating.

22. NON-DISQUALIFICATION OF DIRECTORS:

The [certificate](#) confirming none of Directors is disqualified, is attached to Corporate Governance Report. None of the directors are debarred from being appointed as directors under applicable laws for the time being in force.

23. FEES PAID TO THE STATUTORY AUDITORS:

During the financial year 2023-24, the Statutory Auditors of the Company were paid fees as under:

- (a) For Statutory Audit amounting to Rs. 1 Lakh.
- (b) For Other Services amounting to Rs. 0.5 Lakh.

The same is in line the Audit Committee and/or Board approval.

24. DISCLOSURE REGARDING RE-APPOINTMENT OF DIRECTOR:

The particulars about the brief resume and other information of the Director seeking re-appointment as required to be disclosed under this section as per regulation 36 (3) of the Listing Regulations and Secretarial Standard 2 on general meetings are provided as an [Annexure A](#) to the notice convening the 28th Annual General Meeting.

25. COMPLIANCE BY THE COMPANY:

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations and guidelines of SEBI. Further, during last three years, no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets.

26. CEO & CFO CERTIFICATION:

The requisite [certification](#) from the CEO (Managing Director) and the Chief Financial Officer required to be given under regulation 17(8) read with Part B of Schedule II of the Listing Regulations forms part of this Report.

27. TRANSFER OF UNCLAIMED / UNPAID DIVIDEND AMOUNT AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF"):

Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit Transfer and Refund) Rules, 2016 ("the Rules"), mandates that companies have to transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor

Education and Protection Fund (IEPF). Further, the rules mandate that the shares on which dividend has not been paid or claimed for seven consecutive years or more be transferred to the IEPF. The Company confirms that there are no cases of unclaimed dividend with respect to past dividends and hence no such amount was required to be transferred to IEPF account during the F.Y 2023- 24.

28. RECOMMENDATION OF THE COMMITTEES:

Recommendations of the Committees are submitted to the Board for approval and the Board has accepted all the recommendations during the F.Y. 2023-24.

29. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The Company has not issued any GDRs/ADRs, warrants or any convertible instruments.

30. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT:

Name of the Company in which directors are interested	Loan Amount (in Lakhs) during the F.Y. 2023-24
Kalichem Private Limited (Joint Venture Company)	Rs. 70 Lakhs

31. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE:

The [Auditors' Certificate on Corporate Governance](#) is attached to corporate governance report for the F.Y. 2023-24.

32. DISCLOSURE ON COMPLIANCE:

Company has complied with the requirements of the Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has not adopted discretionary requirements as specified in Part E of schedule II.

33. NON-COMPLIANCE OF REGULATIONS RELATING TO CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, IF ANY:

Company is compliant with Listing Regulations and there are no non-compliances.

34. DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTION THAT MAY HAVE POTENTIAL CONFLICT WITH THE INTEREST OF THE COMPANY AT LARGE:

None of the transactions with any of the related parties were in conflict with the interest of the Company

35. SENIOR MANAGEMENT:

During the year, Mr. Krutarth Parikh resigned w.e.f. 13th September 2023 from position of CFO and in his place Mr. Ramesh Kambariya was appointed to take over the charge as CFO w.e.f. 08th December 2023. Except as stated above, there were no changes in Senior Management. As on 31st March 2024, Mr. Ramesh Kambariya (CFO), Mr. Vipul Sanghvi (Factory Manager) & Mrs. Dipika Rajpal (Company Secretary) were forming part of Senior Management.

36. AGREEMENTS ENTERED REQUIRING DISCLOSURE UNDER CLAUSE 5A TO PARA A OF PART A OF SCHEDULE III OF SEBI (LODR) REGULATIONS, 2015:

No such agreement entered during the FY 2023-24.

37. POLICY FOR DETERMINING MATERIAL SUBSIDIARIES:

Not Applicable

38. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated 15th November, 2019 is not applicable.

39. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Number of complaints filed during the financial year	Nil
Number of complaints disposed off during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

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

Sd/-

**GIRISHKUMAR SHAH
CHAIRMAN
(DIN: 00469291)**

Place : Vadodara

Date : 30th July 2024

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LODR) REGULATIONS 2015

To
The Board of Directors
CHEMCRUX ENTERPRISES LIMITED
330, TRIVIA Complex, Natubhai Circle
Racecourse Vadodara-390 007

Subject: Submission of Compliance Certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Sanjay Y. Marathe, Managing Director of the Company and Ramesh Kambhariya, Chief Financial Officer of the Company, jointly and severally declare and certify for the Financial Results for the year ended 31st March 2024 as under:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - [1] these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - [2] these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee
 - (1) There are no significant changes in internal control over financial reporting during the year;
 - (2) There are no significant changes in accounting policies during the year;
 - (3) there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

FOR CHEMCRUX ENTERPRISES LIMITED

Sd/-
Ramesh Kambhariya (Chief Financial Officer)
Date: 06th May 2024
Place: Vadodara

Sd/-
Sanjay Marathe (Managing Director)
DIN: 01316388

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I, Sanjay Marathe, Managing Director of Chemcrux Enterprises Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2024.

I confirm that the Company has in respect of the said financial year, received from the senior management team and the members of the Board of the Company a declaration of compliance with the Code of Conduct as applicable to them.

FOR CHEMCRUX ENTERPRISES LIMITED

Sd/-
Sanjay Marathe (Managing Director)
DIN: 01316388

Date: 06th May 2024
Place: Vadodara

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
CHEMCRUX ENTERPRISES LIMITED
330, TRIVIA Complex, Natubhai Circle,
Racecourse,
Vadodara - 390007

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CHEMCRUX ENTERPRISES LIMITED, CIN-L01110GJ1996PLC029329 and having its registered office at 330, Trivia Complex, Natubhai Circle, Race Course, Vadodara 390007. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, any such other Statutory Authority except Mr. N.A.DIN- N.A. who has been debarred/disqualified by N.A. [give name of Statutory Authority and reason].

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Girishkumar Shah	00469291	15/04/1996
2	Sanjay Marathe	01316388	15/04/1996
3	Sidhdhi Shah	00469138	04/08/2023
4	Bhanubhai Patel	00727280	30/09/2016
5	Shailesh Patel	02826895	30/09/2016
6	Mukund Bakshi	00066993	22/12/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kashyap Shah & Co.
Practicing Company Secretaries

(Kashyap Shah)
Proprietor
FCS No. 7662; CP No. 6672
UDIN: F007662F000851725
PR No. 1378/2021
Date: 30.07.2024
Place: Vadodara

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To the Members of CHEMCRUX ENTERPRISES LIMITED

We have examined the compliance of the conditions of Corporate Governance by CHEMCRUX ENTERPRISES LIMITED, CIN-L01110GJ1996PLC029329 and having its registered office at 330, Trivia Complex, Natubhai Circle, Race Course, Vadodara 390007 (hereinafter referred to as the Company), for the financial year ended on March 31, 2024 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations during the financial year 2023-2024.

We state that in respect of investor grievances received during the year ended March 31, 2024, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders Relationship Committee.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Kashyap Shah & Co.
Practising Company Secretaries

(Kashyap Shah)
Proprietor
FCS No. 7662; CP No. 6672
UDIN: F007662F000851736
PR No. 1378/2021
Date: 30.07.2024
Place: Vadodara

2.2 Annexure II - to the Board's Report 2023-24

Management Discussion and Analysis

1. ECONOMIC OVERVIEW:

GLOBAL

The global economy exhibited extraordinary resilience in the face of grim predictions, with steady growth and inflation slowing almost as swiftly as it went up. The journey has been eventful, commencing with supply-chain disruptions after the pandemic, an energy and food crisis driven on by Russia's invasion of Ukraine, a substantial rise in inflation, and a globally synchronized tightening of monetary policy. Instead of the 2.4% increase formerly anticipated, the economy worldwide is now expected to grow by 2.7% in 2024. This is primarily due to America's economy functioning better than predicted alongside an improvement in forecasts for several significant emerging economies.

The rise of China and India as global economic leaders have made a significant impact on economies worldwide. Their purchase of components and commodities have an influence on global trade habits and the price, and their ability to export is changing the competitive dynamics in sectors from textile to IT. Additionally, their involvement in international supply chains is crucial for the effective conduct of international trade.

Consumer price inflation in most Advanced Economies (AEs) has moderated - while, banking sector risks also appear subdued. Global growth has increased, with the global composite Purchasing Managers' Index (PMI) remaining in the expansionary zone since February 2023.

INDIAN:

The Indian Economy is geared up to relish the fruits of demographic dividend with its vibrant youth population. India's GDP has continuously exceeded the 7% threshold, indicating the economy's resiliency and revival. India's Gross Domestic Product (GDP) grew 8.2% in the fiscal year 2023-24, an increase from the 7% growth recorded in FY23. As per IMF report, growth in India is expected to continue to be robust, with estimates of 6.8% in 2024 (FY25) and 6.5% in 2025 (FY26). This stability is attributed to increasing working-age population and continued strength in domestic demand demonstrating India's ability to overcome challenges and show stable growth in its economy. Investor confidence in India's long-term economic prospects, which is being fueled by reforms, demographic dividends, and advancements in technology, can be seen in the record-high stock market.

2. CHEMICAL INDUSTRY OVERVIEW:

Chemical Industry Market size was valued at USD 839 Billion in 2023 and is projected to reach USD 982.2 Billion by 2030, growing at a CAGR of 4.8% during the forecast period 2024-2030. India's chemicals market, currently valued at USD 220 billion in 2023, is forecasted to soar to USD 383 billion by 2030. This growth is underpinned by an 8.1 per cent anticipated CAGR from 2021 to 2030. The chemicals sector contributes 12 per cent to India's total exports, highlighting its significance in the global market. Multinational firms are diversifying their sourcing countries, with India emerging as a key player due to its competitive advantages.

2.1 SPECIALTY CHEMICALS INDUSTRY:

GLOBAL:

Unlike bulk chemicals used in large quantities, specialty chemicals are high-performance, value-added products used in a large number of consumer-facing sectors to enhance the properties and functionalities of final goods. While pharma and agrochemicals are key end-markets of global specialty chemicals, this market is driven by multiple factors. Moreover, growing demand for sustainable solutions is pushing the development of eco-friendly specialty chemicals, creating new opportunities within the market. The global specialty chemicals market size was valued at USD285.4 billion in 2023 and is projected to reach USD 364.8 USD billion by 2028, growing at 5.0% CAGR over 2023 to 2038.

INDIAN:

India's domestic market has witnessed a rise in demand for specialty chemicals due to the nation's growing manufacturing and construction sectors. As a result, Indian companies have invested heavily in R&D to develop new products and also accelerated their expansion plans to cater to rising demand from domestic and overseas markets. Some of the large Indian specialty chemicals announced CAPEX plans to expand

production capacities and fulfil demand. India's share in the global specialty chemicals market is expected to increase to 4% from 3%. The specialty chemicals accounting for more than 50% of total chemical exports from India.

China constitutes 20% of the global specialty chemical industry (\$800 billion) and 5% shift in market share from China to India can translate into an \$8-billion opportunity for the Indian specialty chemical companies. Indian specialty chemical industry holds around 3-4% market share currently.

2.2 ACTIVE PHARMA INGREDIENTS (API) & INTERMEDIATES INDUSTRY:

GLOBAL:

The global active pharmaceutical ingredients market size was estimated at USD 237.47 billion in 2023 and is expected to grow at a compound annual growth rate (CAGR) of 5.75% from 2024 to 2030. Advancements in Active Pharmaceutical Ingredient (API) manufacturing, growth of the biopharmaceutical sector and an increase in geriatric population are among the key drivers of API market. An increase in prevalence of chronic diseases, such as cardiovascular diseases and cancer, is anticipated to boost market growth. Favorable government policies for API production, along with changes in geopolitical situations, are boosting market growth. The Chemical Intermediates Market size is forecast to reach around \$132.1 billion by 2027, after growing at a CAGR of 8.2% during 2022-2027.

DOMESTIC:

As the world was grappling with the pandemic, many countries including China closed down borders and the supply chain stagnated. It was now imperative for the world to have an alternative source of bulk drugs. India, which was already a leader in the formulations space, was well-placed to use this opportunity and emerge as an alternative source. While the production of generic drugs is bound to see some significant transformation as different countries are evolving to become active producers, India can step up and develop infrastructure for large scale manufacturing of APIs, thus enabling the India pharma sector to dominate the world market in future.

The India Active Pharmaceutical Ingredients Market size is estimated at USD 13.64 billion in 2024, and is expected to reach USD 20.32 billion by 2029, growing at a CAGR of 8.31% during the forecast period (2024-2029). India is the 3rd largest producer of API accounting for an 8 per cent share of the Global API Industry. 500+ different APIs are manufactured in India, and it contributes 57 per cent of APIs to prequalified list of the WHO. The Indian API space has become lucrative for several investors and venture capitalists. India's robust domestic market, advanced chemical industry, skilled workforce, stringent quality and manufacturing standards, and low costs (about 40 per cent less than that in the West) for setting up and operating a modern plant give an added advantage. Moreover, the development in the end-use industries such as petrochemicals, paints, building and construction, and pharmaceutical are driving the Chemical Intermediate Market growth.

COMPANY OVERVIEW:

With CHEMCRUX, you will find Not Only Products, but the Partnership.....

Established in 1983 by young technocrats at Asia's largest Industrial Estate - Ankleshwar, Gujarat as partnership organization. It excels in High Pressure Oxidation, Nitration, Chlorosulfonation and Amidation Chemistry - to manufacture intermediates for bulk Drugs (API), Dyes & pigment industries. The Company's specialty chemical intermediates are integral to various industries, including Pharmaceuticals, Dyes and Pigments; among others. By combining process chemistry expertise with superior manufacturing capabilities, we aim for efficient utilization of assets. The Company is compliant with ISO 9001:2015, ISO 14001:2015 and 50001:2018 and aims for continual improvement in energy performance, including energy efficiency, use and consumption. EcoVadis is a globally recognized assessment platform that rates businesses' sustainability based on four key categories: environmental impact, labor and human rights standards, ethics, and procurement practices. Your company is being assessed by ECOVADIS since last 3 years. Recently, your Company has received "COMMITTED" badge.

The esteemed clientele in India, include many multinationals and reputed pharmaceutical organization, as well - as regular exports to many countries. The result of customer service with commitment which are executed at any cost and delivered with safe packaging, handling and transport. Open structure of our organization helps us in always looking out for new ways & means to enhance our performance even further.

3. OPPORTUNITIES & THREATS:

OPPORTUNITIES:

India's economy is flourishing and this presents the opportunity to showcase to the world, that India has the potential to position itself as a global leader in chemical market.

Increased Demand: Numerous factors are driving the demand in India's chemicals market. Rising domestic consumption, coupled with the demand from end-use industries such as packaging and automotive, is boosting market growth.

Sustainability: With increasing pressure to reduce the environmental impact of industrial processes, there is an emphasis on sustainable practices in the chemical industry. This grants an opportunity for companies to invest in developing strategies and implement more effective waste management and recycling practices.

Export opportunities: China+1 strategy has prompted manufacturers to decentralize their supply chains away from China. This shift presents a golden opportunity for India. The established Indian chemical intermediate firms have a chance to demonstrate their capabilities on the global stage. Further, war in Ukraine has put European Chemical Industries into panic. Factory closures and disrupted supply chains have prompted manufactures to shift their production base to elsewhere. In this turmoil, India stands a step ahead of other countries because of reduced capital and operating costs. The focus of Indian Government on architectural advances is an added advantage.

THREATS:

Global Recessionary pressure, currency devaluation, increasing energy costs and raw material prices volatility due to changing global scenario, worsened by the unending Russia-Ukraine conflict.

Additional threats include extended transit time due to disrupted logistics, the potential for conflicts to arise elsewhere in the world, financial instability and returning supply-chain disruptions. Through a combination of efficient planning, expanding production and the relentless efforts we shall definitely do our best to overcome all odds.

4. RISKS AND CONCERNS:

The Company operates in a highly regulatory environment and is exposed to various prevailing rules and regulations. Other areas of risks are accidents, fire or mishaps. The Company follows the highest Environment, Health, and Safety (EHS) standards and is adequately insured. Company has SOPs in place. Non-compliance to any rules and regulations or changes in existing policies may impact normal business functions.

Volatility of Raw Material Prices and unavailability/limited availability of key raw material(s) risk exists in every manufacturing Organization. Your Company may be affected by this. Moreover, changing costs may impact profits. Company is able to maintain a steady supply of raw materials at affordable rates because of its established vendor ties. In addition, it is completely integrated for essential products, which reduces the effect of a shortage of raw materials.

5. SEGMENT WISE PERFORMANCE:

Your Company operates in Single segment of manufacturing of Specialty Chemicals which includes intermediates for Bulk Drugs (API), Dyes & Pigment industries segment. Your Company also has been optimally utilising capacities for manufacturing intermediates for Bulk Drugs (API), Dyes & Pigment industries.

6. OUTLOOK:

With a mission to offer best quality products at globally competitive prices with timely delivery to the satisfaction of Customers, Chemcrux is building on its 4+ decades of its expertise and in house technical expertise to leave a global footprint. To fuel this, the Company has entered into Steam Purchase agreement which will act as a catalyst in reduction of costs. Apart from this, the Company is actively taking other steps to enhance its product offerings.

Despite reduced demand, the Company enjoys the same confidence from its clients and has also added new clientele to its client base. This shows the Company continues to thrive on its philosophy of "QUALITY,

CONSISTENCY AND RELIABILITY.” Chemcrux is endeavoring to get the benefits from Make in India and increased adoption of China+1 Policy.

The creation of warehouse facility made scope for possible expansion as the additional space was carved out for implementing the expansion plan. The Joint Venture Company, Kalichem Private Limited is expected to be in operation during second half of FY 2024-25. Altogether, in a nutshell the Company is geared up to reap the dual benefits namely completion of capacity expansion and operationalization of Joint Venture Company, Kalichem Private Limited. The Company forecasts a healthy rebound in demand for the coming year. Dyes and Pigments are already showing early signs of demand revival and is expected to see a gradual improvement. Your Company continues to work on economies of scale and with continued focus on operational efficiency, Chemcrux remains committed to capitalize long-term favorable industry trends in order to maximize the value proposition for all the stakeholders.

7. ENVIRONMENT HEALTH & SAFETY:

Your Company has appropriate Waste Management Systems for Air, liquid & solids. In-house team ensuring pollution control & energy conservation, treating effluents and Safe disposal of waste. 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. In addition to CSR activities, your Company has generously donated for My Livable Ankleshwar Project amounting to Rs. 10 Lakhs. This is a stepping step towards developing the community wherein your Company operates in order to enhance the quality of life of people.

8. INTERNAL CONTROL SYSTEM:

Your Company has sound and adequate internal control systems commensurate with its size and nature of business. 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.

9. FINANCIAL & OPERATIONAL PERFORMANCE:

In FY 2023-24, the chemical industry faced various challenges like sluggish global demand, an oversupply in China, disrupted logistics owing to geopolitical tensions and extensive inventory improvements. These challenges, coupled with slowdown in key markets, impacted Chemcrux's performance and this trend reflected during the whole year in financial results. To overcome this, the Company employed various initiatives for increasing its market place, improve its product mix and drive operational excellence. The Financial Highlights of the Company are summarized in table below:

(In Lakhs, except EPS)

Particulars	31 st March 2024	31 st March 2023
Revenue from Operations	7846.53	9515.24
Other Income	133.54	105.21
Total Revenue	7980.07	9,620.45
Profit Before Tax	1143.15	1964.80
Profit after Tax	844.43	1435.83
Earnings per Share	5.70	9.70

RATIOS: The reasons for variation are provided where variance is more than 25% compared to previous financial year:

Ratio	Numerator	Denominator	Mar-24	Mar-23	% Variance	Reason for variance
(a) Current ratio (times)	Total Current Assets	Total Current Liabilities	3.88	3.99	-2.65%	-
(b) Debt-equity ratio (times)	Short Term Borrowing + Long Term Borrowing	Total Equity	0.35	0.20	75.00%	The increase in the ratio is due to an increase in long term borrowings.

Ratio	Numerator	Denominator	Mar-24	Mar-23	% Variance	Reason for variance
(c) Debt service coverage ratio (times)	Profit Before Interest and Tax	Total Debts Service (Interest + Finance Lease Payment + Principal Repayment)	0.42	1.13	-62.47%	The decrease in the ratio is due to an increase in the borrowing cost.
(d) Return on equity ratio (percentage)	Net Profit after Tax	Total Equity	12.18%	23.72%	-48.64%	Decrease in ratio due to decrease in net profit
(e) Inventory turnover ratio (times)	Net Sales	Average Inventory	6.97	7.42	-5.95%	-
(f) Trade receivables turnover ratio (times)	Net Sales	Average Trade Receivables	5.46	5.89	-7.27%	-
(g) Trade payables turnover ratio (times)	Net Purchases	Average Trade Payable	3.34	4.45	-25.05%	The decrease in the ratio is due to an increase in average trade payable.
(h) Net Working capital turnover ratio (times)	Net Sales	Working Capital	3.75	4.13	-9.14%	-
(i) Net profit ratio (percentage)	Net Profit	Sales	10.76%	15.09%	-28.68%	Decrease in ratio due to decrease in net profit
(j) Return on capital employed (percentage)	Earning Before Interest and Tax	Capital Employed	11.82%	21.57%	-45.18%	Decrease in ratio due to decrease in earning before interest and tax
(k) Return on investment (percentage)	Profit After Tax	Total Assets	7.69%	15.40%	-50.10%	Decrease in ratio due to decrease in net profit

For the year ended 31st March 2024, the Board of Directors have recommended dividend of Re. 1/- per equity share of face value of Rs. 10/- each, which is subject to shareholders approval at the ensuing AGM.

10. 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 end of FY 2023-24, the total number of the employees of Company is 98. With a strong commitment to safety and wellbeing, Chemcrux adheres to ethical principles and standards, ensuring a positive work environment and sustainable growth.

11. CAUTIONARY STATEMENTS:

Occasionally the Company may, make additional written and verbal forward-looking statements. The Company does not undertake to update any forward-looking statements made by or on behalf of the Company. The Company does not accept any liability whatsoever for any loss, howsoever, arising from any use or reliance on this Annual Report or its contents or otherwise arising in connection therewith.

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

**Place : Vadodara
Date : 30th July 2024**

**Sd/-
GIRISHKUMAR SHAH
CHAIRMAN
(DIN: 00469291)**

2.3 Annexure- III to the Board's Report 2023-24

Secretarial Audit Report

(For the Financial year ended on 31st March, 2024)

[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 - 390007

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by CHEMCRUX ENTERPRISES LIMITED, CIN-L01110GJ1996PLC029329 (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, 2024 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, 2024, according to the provisions of:

- A. The Companies Act, 2013 (the Act) and the rules made thereunder.
- B. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- C. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- D. 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.
- E. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
 - D. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. - Not Applicable to the Company during the Audit Period.
 - E. The Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021. - Not Applicable to the Company during the Audit Period.
 - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. - Not Applicable to the Company during the Audit Period. and
 - H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. - Not Applicable to the Company during the Audit Period.

We have also examined compliance with the applicable clauses of the following: (i) The mandatory Secretarial Standards (SS-1 and SS-2) 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.

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.

We further report that during the audit period, the shareholders at Annual General Meeting dated 12th September, 2023 passed special resolution for: (i) re-appointment of Mr. Girishkumar Shah as Whole Time Director and Executive Chairman and (ii) re-appointment of Mr. Sanjay Marathe as Managing Director for a period of five years starting w.e.f. 1st January, 2024 till 31st December 2028.

For Kashyap Shah & Co.
Practising Company Secretaries

Place: Vadodara
Date: 30.07.2024

(Kashyap Shah)
Proprietor
FCS No. 7662, CP No. 6672
UDIN:- F007662F000851769
PR NO. 1378/2021

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 - 390007

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

Place: Vadodara
Date: 30.07.2024

(Kashyap Shah)
Proprietor
FCS No. 7662. CP No. 6672

2.4 Annexure- IV to the Board's Report 2023-24

Form AOC-1

Statement containing salient features of the financial statement of Subsidiaries or Associate Companies or Joint Ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A: Subsidiaries

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

As on 31st March 2024 Company had no Subsidiary hence the disclosure in respect of the table below is not applicable.

1. Name of the subsidiary: - NA
2. The date since when subsidiary was acquired: -NA
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: - NA
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries: -NA
5. Share capital: -NA
6. Reserves and surplus: -NA
7. Total assets: -NA
8. Total Liabilities: -NA
9. Investments: -NA
10. Turnover: -NA
11. Profit before taxation: -NA
12. Provision for taxation: -NA
13. Profit after taxation: -NA
14. Proposed Dividend: -NA
15. Extent of shareholding (in percentage): -NA

Notes:

1. Name of subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year. NA

Part B Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

Name of Associates or Joint Ventures: KALICHEM PRIVATE LIMITED

1. Latest audited Balance Sheet Date: 31st March 2024
2. Date on which the Associate or Joint Venture was associated or acquired: 22nd December 2021
3. Shares of Associate or Joint Ventures held by the company on the year end:
 - a. No. of Shares: 5000 shares (50%)
 - b. Amount of Investment in Associates or Joint Venture: Rs. 50,000
 - c. Extent of Holding (in percentage): 50%
4. Description of how there is significant influence: 50% Holding of Chemcrux Enterprises Limited
5. Reason why the associate/joint venture is not consolidated: NA
6. Net worth attributable to shareholding as per latest audited Balance Sheet: Rs. 1 Lakh.
7. Profit or (Loss) for the year
 - a. Considered in Consolidation -N.A.
 - b. Not Considered in Consolidation - N.A.

* Commercial production has not yet commenced, so there are no transactions in the profit and loss account.

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

**Place: Vadodara
Date: 30th July 2024**

**Sd/-
GIRISHKUMAR SHAH
CHAIRMAN
(DIN: 00469291)**

2.5 Annexure-V to the Board's Report 2023-24

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2023-24

- Brief outline on CSR Policy of the Company: The Company's CSR Policy containing inter-alia the specified areas for proposed CSR activity and is available on the website of Company at the link - www.chemcrux.com/investor-info.php under investors info/Corporate Policy.
- Composition of CSR Committee as on 31st March 2024:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year (dated 20/05/2023)	Number of meetings of CSR Committee attended during the year
1	Mr. Sanjay Marathe	Chairman (Managing Director)	1	1
2	Mrs. Sidhdhi Shah*	Member (Non-Executive Director)	NA	NA
3	Mr. Mukund Bakshi	Member (Independent Director)	1	1

* Mrs. Sidhdhi Shah has been appointed of Non-executive Director on the Board w.e.f. 04th August 2023 and has also been appointed as member of CSR Committee upon changes in Directors & consequent reconstitution of CSR Committee. Till 04th August 2023, the CSR committee composition was as under:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year (dated 20/05/2023)	Number of meetings of CSR Committee attended during the year
1	Mr. Sanjay Marathe	Chairman (Managing Director)	1	1
2	Mrs. Neela Marathe	Member (Non-Executive Director upto 04/08/2023)	1	1
3	Mr. Mukund Bakshi	Member (Independent Director)	1	1

- Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: www.chemcrux.com/investor-info.php under investors info/Corporate Policy.
- Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: N.A.
- Average net profit of the company as per sub-section (5) of section 135: Rs. 17,21,41,188/-
 - Two percent of average net profit of the company as per sub-section (5) of section 135: Rs. 34,42,824/-
 - Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
 - Amount required to be set-off for the financial year, if any: Nil
 - Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 34,42,824/-
- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 34,51,000/-

Details of CSR amount spent against on ongoing projects for the financial year: Nil

Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (In Rs.)	Mode of implementation-Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Provided training Equipment's (bicycle and gears) to National Level Player	Promoting Sports	Yes	Gujarat	Vadodara	1,75,000/-	Yes	-	-
2.	Contributed in development of science college facility	Promoting education	Yes	Gujarat	Ankleshwar	10,00,000/-	No	Ankleshwar Environmental Preservation Society	CSR000 14481
3.	Supported for Education of Children of S R Rotary Institute of Chemical Technology	Promoting education	Yes	Gujarat	Ankleshwar	6,00,000/-	No	Ankleshwar Rotary Education Society	CSR000 02365
4	Contributed in development of Sports Complex facility	Promoting Sports	Yes	Gujarat	Vadodara	7,00,000/-	No	Ankleshwar Industrial Development Society	CSR000 03724
5	Contributed for Hearse Vehicle (funeral vehicle) and biers	Promoting health care including preventive health care	Yes	Gujarat	Vadodara	3,10,000/-	No	Shri Hari Seva Trust	CSR000 26004
6	Provided support to purchase Healthcare Equipment's	Promoting health care including preventive health care	Yes	Gujarat	Vadodara	6,66,000/-	No	Muni Seva Ashram	CSR000 04688
	Total			34,51,000/-					

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: N.A.

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. Rs. 34,51,000/-

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount.	Date of transfer
Rs. 34.51 Lakhs	Nil	N.A.	N.A.	Nil	N.A.

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

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: N.A.
 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:
 Yes ☐ No ☒
 If yes, enter the number of Capital assets created/ acquired: N.A.
 9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135: N.A.
- In addition to CSR activities, your Company has generously donated for My Livable Ankleshwar Project amounting to Rs. 10 Lakhs. This is a stepping step towards developing the community wherein your Company operates in order to enhance the quality of life of people.

Sd/-
Girishkumar Shah
Whole Time Director
(DIN: 00469291)

Sd/-
Sanjay Marathe
MD & Chairman of CSR Committee
(DIN: 01316388)

GLIMPSES OF CORPORATE SOCIAL RESPONSIBILITY FOR THE FY 2023-24

EDUCATION



HEALTHCARE



SPORTS



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, 2024**, the Statement of Profit & Loss (Including the Statement of Other Comprehensive Income), the Statement of Cash Flow and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements")

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

Basis for Opinion

We conducted our audit in accordance with 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of the Key Audit Matter

During the course of our audit, a significant area of focus was the identification and bifurcation of certain expenses incurred of similar nature between Revenue and Capital nature. This was particularly relevant due to the ongoing expansion and modernization activities at the plant, which involved substantial expenditures. As such, since the Company operates as Chemical Plant, the expenditure on Repairs and Maintenance is routinely incurred. There is a lot of similarity in the nature of expenditure incurred for both the above purposes i.e. expansion and repairs. Hence, the assessment of whether these expenses should be classified as revenue or capital expenditures involves complex judgments.

The classification of expenses as either revenue or capital in nature is critical because it directly affects the financial position and performance of the company. Revenue expenditures are expensed in the period they are incurred, impacting the profit or loss for the year, while capital expenditures are capitalized and depreciated over time, affecting both the balance sheet and future income statements. Given the significant judgment involved in this area and the potential impact on the financial statements, we considered this to be a key audit matter.

Auditor's Response

Our audit procedures included, but were not limited to, the following:

- **Evaluation of Management's Process:** We assessed the process used by management to identify and bifurcate and segregate the expenses related to the expansion and modernization activities from expenses of similar nature incurred for repairs. This included evaluating the criteria set by management for classifying expenses as capital or revenue in nature.
- **Testing of Sample Transactions:** We selected a sample of expenses and traced them to supporting documentation to verify whether the classification as revenue or capital expenditures was appropriate. This included verifying the nature of the expenditure, the timing of the incurrence, and its alignment with the company's capitalization policy.
- **Review of Significant Contracts:** We reviewed contracts related to major capital expenditure to understand the nature of the work performed and the related expenses to ensure proper classification.
- **Discussion with Management:** We held discussions with management to understand the rationale behind their judgments, particularly for expenses that were difficult to classify.
- **Assessment of Consistency:** We examined whether the approach to classifying expenses as revenue or capital was consistent with prior periods and with applicable accounting standards.

Based on the procedures performed, we found that the management's classification of expenses between revenue and capital nature was reasonable and in accordance with the applicable financial reporting framework.

Information Other than Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance, Shareholder's Information and Other Information included in the Company's Annual Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon.

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

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

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

Responsibility of the Management and those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other 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 these Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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.

Other Matter

The Standalone Financial Statements of the Company for the year ended 31st March 2023 were audited by the previous statutory auditors of the Company and they had expressed an unmodified opinion on Standalone Financial Statements vide their report dated 20th May 2023.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("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 including Other Comprehensive Income, Statement of Changes in Equity 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 Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of written representations received from the directors, as on 31st March, 2024, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2024 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) With respect to the matter to be included in the Auditors Report u/s. 197(16) of the Act, in our opinion and according to information and explanations given to us, the remuneration paid by company to its directors is in accordance with the provisions of Section 197 of the Act read with Schedule V in terms of requisite approvals obtained as mandated therein 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) There are no pending litigations.
 - (ii) There are no long-term contracts for which there were material foreseeable losses for which provision is required.
 - (iii) There were no amounts which were required to be transferred to the Investor Protection Fund by the Company.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- (vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

FOR, NARESH & CO
CHARTERED ACCOUNTANTS
(F.R.N. 106928W)

DATE: 06.05.2024
PLACE: VADODARA

Sd/-
CA HARIN PARIKH
PARTNER
(M R N: 107606)
UDIN: 24107606BKAOPX1372

"ANNEXURE – A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirement's" section of our Report of even date for the year ended 31st March 2024 on the Standalone Financial Statements of Chemcrux Enterprises Limited)

- (i) (a) (A) The Company has maintained proper records of Property Plant & Equipments purchases. However, as informed to us the Company is in the process of updating its old records and Property Plant & Equipments Register showing full particulars including quantitative details and the situation of Property Plant & Equipments.
- (B) The Company has maintained proper records showing full particulars of the Intangible Assets.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which the Property, Plant and Equipment are verified in phased manner over a period of time. In accordance with its program, certain Property, Plant and Equipment 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, we report that the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or Intangible Assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The physical verification of inventories has been conducted at reasonable intervals by the management of the Company and in our opinion, and to the best of our knowledge and belief, the coverage and procedure for such verification by the management is appropriate. On the basis of our examination of the records of physical verification of inventory, we are of the opinion that no discrepancies of 10% or more in aggregate for each class of inventory were noticed. 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.
- (b) The Company has not been obtained sanction of working capital limits in excess of Rs. 5 Crores, in aggregate, from banks or financial institutions on the basis of security of current assets, at any point of time of the year. Hence, no comments are required on Paragraph 3 (ii)(b) of the Order.
- (iii) (a) During the year, the Company has provided additional unsecured loan to a Joint Venture Company in which the Company had made investment in earlier years and which is subsisting.

The details of the same are as under:

Aggregate amount of loan granted during the year – Rs. 70,00,000

Balance outstanding as at the Balance Sheet Date – Rs. 3,50,00,000

Apart from the above the Company has not granted any loans or provided advances in the nature of loans, or stood guarantee, or provided security, to any other entity.

- (b) The Investments made in Joint Venture company and the grant of loan mentioned above are not prejudicial to the interests of the Company.
- (c) In respect of the loan granted, the schedule of repayment of principal and payment of interest has been stipulated. No repayments or receipts were due during the year.
- (d) No amount was overdue against the loan granted.

- (e) The loan granted had not fallen due during the year. Hence, there are no comments required regarding renewal or extension of the same.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying the period of repayment.
- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has not accepted any deposits or amounts deemed to be 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) We have broadly reviewed the cost records maintained by the company for its products pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and we are of the opinion that *prima facie* the prescribed cost records have been made and maintained. However, we have not made a detailed examination of these records with a view to determine whether they are accurate or complete
- (vii) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material statutory dues applicable to it to the appropriate authorities.

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, 2024 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 Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material statutory dues applicable to it which have not been deposited on account of any dispute.
- (viii) There are no transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence no further comments are required under Para 3(viii) of the Order.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence no further comments are required under Para 3(ix)(a) of the Order.
- (b) The Company has not been declared Willful Defaulter by and bank or financial institution or another lender.
- (c) The Term Loans raised during the year were applied for the purpose for which they were obtained.
- (d) On the basis of review of utilization of funds which is based on an overall examination of the balance sheet of the Company, related information as made available to us and as represented to us by the Management, we report that in general funds raised on short-term basis have not been used for long-term purposes.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its Joint Venture. The Company does not have any subsidiaries or associates.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its Joint Venture. The Company does not have any subsidiaries or associates.

- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) There has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.
- (b) No report under Sub-section (12) of S. 143 of the Act has been filed by the Auditors in Form ADT-4 as prescribed under Rule 12 of the Companies (Audit and Auditors) Rule, 2014 with the Central Government.
- (c) As per the information and explanation given to us, no whistle-blower complaints, were received by the Company during the year.
- (xii) The Company is not a "Nidhi" Company. Hence, Para (xi) 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) (a) The Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (b) The Reports of the Internal Auditor for the period under Audit were considered by the Statutory Auditors.
- (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) (a) As per information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance Activities during the year.
- (c) The Company or any member Company of the Group is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, no comments are required on Paragraph (xvi) (c) & (d) of the Order.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the Statutory Auditor during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The Company has spent the amount required to meet its Corporate Social Responsibility (CSR) obligations as per S. 135 of the Act. The Company does not have any ongoing CSR Projects. Hence no further comments are required under Para (xx) of the Order.
- (xxi) These being standalone financial statements, no comments are required under Paragraph (xxi) of the Order since the same is related to Consolidated Financial Statements.

FOR, NARESH & Co
CHARTERED ACCOUNTANTS
(F.R.N. 106928W)

DATE: 06.05.2024
PLACE: VADODARA

Sd/-
CA HARIN PARIKH
PARTNER
(M R N: 107606)
UDIN: 24107606BKAOPX1372

“Annexure – B” to the Independent Auditor’s Report

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

(Referred to in Paragraph 2 (f) under “Report on Other Legal and Regulatory Requirement’s” section of our Report of even date for the year ended 31st March 2024 on the Standalone Financial Statements of Chemcrux Enterprises Limited)

We have audited the internal financial controls over financial reporting of **CHEMCRUX ENTERPRISES LIMITED** (“the Company”), **as on 31st March, 2024** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

FOR, NARESH & CO
CHARTERED ACCOUNTANTS
(F.R.N. 106928W)

DATE: 06.05.2024
PLACE: VADODARA

Sd/-
CA HARIN PARIKH
PARTNER
(M R N: 107606)
UDIN: 24107606BKAOPX1372

CHEMCRUX ENTERPRISES LIMITED- STANDALONE BALANCESHEET AS AT 31ST MARCH 2024

(In Lakhs)

	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
I.	ASSETS			
(1)	<u>Non - Current Assets</u>			
	(a) Property, Plant and Equipment	4	3,182.84	3,172.52
	(b) Capital Work In Progress	5	2,105.78	30.52
	(c) Investment Property	6	67.78	67.78
	(d) Right of Use Assets	7	56.57	68.91
	(e) Other Intangible Assets	8	1.54	1.65
	(f) Financial Assets			
	(i) Investments	9	5.17	5.17
	(ii) Loans	10	350.00	280.00
	(iii) Others	11	187.63	163.41
	(g) Other Non - Current Assets	12	-	11.55
(2)	<u>Current Assets</u>			
	(a) Inventories	13	841.06	1,409.07
	(b) Financial Assets			
	(i) Investments	9	1,977.41	1,673.47
	(ii) Trade Receivables	14	1,529.98	1,343.92
	(iii) Cash and Cash Equivalents	15	7.56	118.73
	(iv) Other Bank Balances	16	510.68	590.68
	(v) Loans	17	23.02	15.33
	(vi) Others	18	2.24	1.31
	(c) Other Current Assets	19	137.42	367.83
	Total Assets		10,986.68	9,321.85
II.	EQUITY AND LIABILITIES			
(1)	<u>Equity</u>			
	(a) Equity Share Capital	20	1,480.88	1,480.88
	(b) Other Equity	21	5,744.97	5,159.70
	<u>Liabilities</u>			
(2)	<u>Non - Current Liabilities</u>			
	(a) Financial Liabilities			
	(i) Long Term Borrowings	22	2,152.68	1,025.64
	(ii) Lease Liabilities	23	77.24	90.59
	(iii) Other Financial Liabilities	24	-	-
	(b) Provisions	25	17.56	-
	(c) Deferred Tax Liability (net)	26	217.86	180.77
(3)	<u>Current Liabilities</u>			
	(a) Financial liabilities			
	(i) Short Term Borrowings	27	401.96	315.89
	(ii) Lease Liabilities	23	13.35	10.57
	(iii) Trade Payables	28		
	a) Total Outstanding Dues of Micro Enterprises and Small Enterprises		304.94	390.00
	b) Total Outstanding Dues of Creditors Others than Micro Enterprises and Small Enterprises		397.84	413.23
	(iv) Other Financial Liabilities	24	0.28	0.19
	(c) Other Current Liabilities	29	161.60	130.41
	(b) Provisions	25	-	-
	(d) Current Tax Liabilities (Net)	30	15.52	123.98
	Total Equity and Liabilities		10,986.68	9,321.85
	The accompanying notes 1 to 67 are an integral part of the Financial Statements.			
	As per our report of even date attached.			

For Naresh & Co
Chartered Accountants
FRN: 106928W

Sd/-
CA Harin Parikh
Partner
Membership No: 107606
UDIN: 24107606BKAOPX1372
Place: Vadodara
Dated: 06.05.2024

For and on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291
Sd/-
Ramesh Kambariya
CFO
Place: Vadodara

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388
Sd/-
Dipika Rajpal
CS
Dated: 06.05.2024

STANDALONE OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2024

(In Lakhs)				
	Particulars	Note No.	Year ended 31st March, 2024	Year ended 31st March, 2023
I.	Revenue from Operations	31	7,846.53	9,515.24
II.	Other Income	32	133.54	105.21
III.	Total Income (I+II)		7,980.07	9,620.45
IV.	Expenses:			
	Cost of Materials Consumed	33	2,533.25	4,611.32
	Purchase of Stock in Trade	34	-	-
	Changes in Inventories of Finished Goods and Work in Progress	35	579.79	464.40
	Employee Benefits Expense	36	882.91	791.33
	Finance Costs	37	83.24	81.84
	Depreciation and Amortization Expense	4,7,8	228.52	203.72
	Other Expenses	38	2,529.21	2,431.84
	Total Expenses (IV)		6,836.92	7,655.65
V.	Profit Before Tax (III-IV)		1,143.15	1,964.80
VI.	Tax Expense :			
	Current Tax		285.00	476.26
	Deferred Tax		11.89	52.87
	Income Tax relating to Earlier Years		1.83	0.15
			298.72	528.98
VII.	Profit for The Year		844.43	1,435.83
VIII.	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	- Defined Benefit Plan		(45.09)	11.79
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(11.35)	2.97
	(iii) Items that will be reclassified to profit or loss			
	-Fair Value Gain on Investments		133.65	31.76
	(iv) Income tax relating to items that will be reclassified to profit or loss		33.64	7.99
	Total Other Comprehensive Income, Net of Tax		66.27	32.59
IX.	Total Comprehensive Income for The Year		910.70	1,468.42
X.	Earnings per Equity Share (Nominal value per share Rs. 10/-)			
	- Basic (Rs.)		5.70	9.70
	- Diluted (Rs.)		5.70	9.70
	The accompanying notes 1 to 67 are an integral part of the financial statements.			
As per our report of even date attached.				

For Naresh & Co
Chartered Accountants
FRN: 106928W

Sd/-
CA Harin Parikh
Partner
Membership No: 107606
UDIN: 24107606BKAOPX1372
Place: Vadodara
Dated: 06.05.2024

For and on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291
Sd/-
Ramesh Kambariya
CFO
Place: Vadodara

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388
Sd/-
Dipika Rajpal
CS
Dated: 06.05.2024

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024

(In Lakhs)

Sr.	Particulars	Year ended 31st March , 2024	Year ended 31st March , 2023
A.	Cash flow from Operating Activities :		
	<i>Net Profit before Tax & Extra Ordinary Items</i>	1,143.15	1,964.80
	Adjustment for :		
	Depreciation & Write-offs	228.52	203.72
	Loss/(Profit) on Sale of PPE	16.84	(1.68)
	Interest Expense	83.24	81.84
	Operating Profit before Working Capital Changes	1,471.76	2,248.67
	Adjustments for :		
	(Increase)/Decrease in Trade Receivables	(186.06)	543.79
	(Increase)/Decrease in Inventories	568.01	(251.90)
	(Increase)/Decrease in Loans & Advances	(8.61)	(16.64)
	(Increase)/Decrease in other current assets	230.41	180.76
	Increase/(Decrease) in Trade Payable	(100.44)	(356.56)
	Increase/(Decrease) in Other Current Liabilities	(69.34)	(501.05)
	Increase/(Decrease) in Long term provisions	17.56	-
	Cash Generated from Operating Activities	1,923.28	1,847.06
	Direct Taxes Paid	(269.48)	(365.03)
	<i>Cash Flow before Extra Ordinary Items</i>	1,653.80	1,482.04
	Prior Period Items (being cash items)	-	-
	Net Cash Flow from Operating Activities	1,653.80	1,482.04
B.	Cash Flow from Investing Activities		
	Purchase of PPE	(2,428.51)	(1,116.92)
	Net Proceeds from Sale of PPE	110.00	5.85
	Dividend Received	-	-
	Investments (Net)	(266.93)	(937.16)
	Net Cash used in Investment Activities	(2,585.44)	(2,048.23)
C.	Cash Flow from Financing Activities		
	Interest Paid	(83.24)	(81.84)
	(Increase)/Decrease in Financial and Other - Non Current Assets	(82.66)	(57.77)
	Increase/(Decrease) in Short Term Borrowings	86.07	(485.61)
	Increase/(Decrease) in Lease Liabilities	(10.57)	(8.17)
	Increase/(Decrease) in Long Term Borrowings	1,127.04	1,025.64
	Dividend Paid (incl. Tax Thereon)	(296.18)	(296.18)
	Net Cash used in Financing Activities	740.46	96.08
D.	Net Increase/(Decrease) in Cash and Bank Balance	(191.17)	(470.12)
	Cash & Bank Balance at beginning of the year	709.41	1,179.53
	Cash & Bank balances at the end of the year	518.24	709.41
	Details of Cash & Bank Balance		
	Balances with Banks	5.09	116.22
	Cash on hand	2.46	2.51
	Deposits held as Margin Money	10.68	10.68
	Other Fixed Deposits with Bank	500.00	580.00

For Naresh & Co
Chartered Accountants
FRN: 106928W

Sd/-
CA Harin Parikh
Partner
Membership No: 107606
UDIN: 24107606BKAOPX1372
Place: Vadodara
Dated: 06.05.2024

For and on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291
Sd/-
Ramesh Kambariya
CFO
Place: Vadodara

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388
Sd/-
Dipika Rajpal
CS
Dated: 06.05.2024

RECONCILIATION OF LIABILITIES FROM FINANCIAL ACTIVITIES

(In Lakhs)

Particulars		Lease Liabilities	Long Term Borrowings	Short Term Borrowings
Opening Balance (FY 2023-24)		101.16	1,025.64	315.89
Opening Balance (FY 2022-23)		109.33	-	801.50
Cash inflow / (Outflow) (FY 2023-24)		(18.30)	1,127.04	86.07
Cash inflow / (Outflow) (FY 2022-23)		(16.64)	1,025.64	(485.61)
Non Cash Changes (FY 2023-24)		7.73	-	-
Non Cash Changes (FY 2022-23)		8.47	-	-
Closing Balance (FY 2023-24)		90.59	2,152.68	401.96
Closing Balance (FY 2022-23)		101.16	1,025.64	315.89

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024:

(a) Equity Share capital

(In Lakhs)

	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the year ended 31st March, 2023	1,480.88	-	1,480.88
For the year ended 31st March, 2024	1,480.88	-	1,480.88

(g) Other Equity

(In Lakhs)

	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Other Comprehensive Income	
Balance as at 1st April, 2022	-	-	3,982.14	5.32	3,987.46
Profit for the year	-	-	1,435.83	-	1,435.83
Other Comprehensive Income (net of tax)	-	-	-	-	-
- Remeasurement of Defined Benefit Plan	-	-	-	8.82	8.82
- Fair Value Impact of Investment to be routed through OCI	-	-	-	23.77	23.77
Application for issuance of Bonus Shares	-	-	-	-	-
Dividends paid including dividend tax thereon	-	-	(296.18)	-	(296.18)
Balance as at 31st March, 2023	-	-	5,121.79	37.91	5,159.70
Balance as on 1st April, 2023	-	-	5,121.79	37.91	5,159.70
Profit for the year	-	-	844.43	-	844.43
Other Comprehensive Income (net of tax)	-	-	-	-	-
- Remeasurement of Defined Benefit Plan	-	-	-	(33.74)	(33.74)
- Fair Value Impact of Investment to be routed through OCI	-	-	-	100.01	100.01
Less: Re-Classified to Statement of Profit and Loss for the Year	-	-	-	(29.25)	(29.25)
Dividends paid including dividend tax thereon	-	-	(296.18)	-	(296.18)
Balance as at 31st March, 2024	-	-	5,670.04	74.93	5,744.97

For Naresh & Co
Chartered Accountants
FRN: 106928W

Sd/-
CA Harin Parikh
Partner
Membership No: 107606
UDIN: 24107606BKAOPX1372

Place: Vadodara
Dated: 06.05.2024

For and on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388

Sd/-
Ramesh Kambariya
CFO

Sd/-
Dipika Rajpal
CS

Place: Vadodara
Dated: 06.05.2024

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS ANNEXED THERETO FOR THE YEAR ENDED 31ST MARCH 2024

1. General Information of the Company:

Chemcrux Enterprises Limited (“the company”) was incorporated in April 1996 under erstwhile Companies Act, 1956 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. It manufactured Bulk Drug Intermediates and cater Domestic and International market.

The Equity Shares of Company were listed on the BSE SME exchange 28th March 2017. Thereafter the Company has successfully migrated to the Main Board of the BSE from 5th May, 2022.

2. Basis of Preparation:

a. Statement of Compliance

These financial statements are the separate financial statements of the Company (also called standalone financial statements) and comply in all material aspects with the Indian Accounting Standards (“Ind AS”) notified under section 133 of the Companies Act, 2013 (“the Act”), read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, relevant provisions of the Act and other accounting principles generally accepted in India. The accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Basis of Preparation, Presentation and Measurement

These Financial Statements are presented in Indian Rupees (₹/ Rs.), which is also the Company’s functional currency. All amounts have been rounded-off to two decimal places to the nearest Lakhs, unless otherwise indicated.

These financial statements have been prepared on an accrual basis and under the historical cost basis except as under:

- a) certain financial assets and liabilities are measured at fair value or amortized cost (refer accounting policy regarding financial instruments)
- b) defined benefit liability is measured as per actuarial valuation

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

c. Significant accounting judgements, estimates and assumptions

The preparation of the company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the

accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

d. Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

i. Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii. Employee Benefit Plans

The cost of the defined benefit gratuity plan, other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

iv. Property, Plant and Equipment

Useful lives and residual values are determined by the management at the time the asset is acquired and reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

e. Amendments to Existing Accounting Standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

3. Significant Accounting Policies:

3.1 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non- current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3.2 Property, Plant & Equipments

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use but are net of tax credits (GST) availed, including borrowing costs capitalized on qualifying assets. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, Plant and Equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Depreciation on property, plant and equipment has been provided using straight line method using rates determined based on management's assessment of useful economic lives of the asset upon the asset being put to use.

Followings are the estimated useful lives of various category of assets used which are aligned with useful lives defined in schedule II of Companies Act, 2013:

Office Building	30 Years
Factory Building	30 Years
Furniture & Fixture	10 Years
Vehicles	8 Years
Plant & Machinery	15 Years
Office Equipment	5 Years
Computers	3 Years
Pollution Control System	15 Years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

Capital work-in-progress (CWIP)

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in progress.

Investment property

Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment properties measured initially at cost including related transitions cost and where applicable borrowing cost. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

3.3 Intangible assets

Recognition and Measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to and has sufficient resources to complete development and to use or sell the asset.

Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Subsequent Measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for current and comparative periods are as follows:

Operating Software	10 Years
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3.4 Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Company in return for payment.

The Company as lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that such options would be exercised.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of profit and loss in the period in which the events or conditions which trigger those payments occur.

In a sale and lease back transaction, the Company measures right-of-use asset arising from the leaseback as the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The gain or loss that the company recognises in the statement of profit and loss is limited to the proportion of the total gain or loss that relates to the rights transferred to the buyer.

The Company as lessor

Operating lease:

Rental income from operating leases is recognised in the statement of profit and loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight-line basis over the lease term.

Finance lease

When assets are leased out under a finance lease, the present value of minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

3.5 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.6 Provisions, Contingent Liabilities and Contingent Assets

Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in respective expense.

Contingent Liabilities and Contingent Assets:

Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

3.7 Income Tax

Current Tax:

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

3.8 Employee Benefits

Short-term Employee Benefits:

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans:

Defined Contribution Plans

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employees render the related services.

Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme is a defined benefit plan. The Company recognises the defined benefit liability in Balance sheet. The present value of the obligation under such defined benefit plan and the related current service cost and, where applicable past service cost is determined based on an actuarial valuation done using the Projected Unit Credit Method by an independent actuary, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) is reflected immediately in Other Comprehensive Income in the Statement of Profit and loss. All other expenses related to defined benefit plans are recognised in Statement of Profit and Loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to Statement of Profit and Loss hence it is treated as part of retained earnings in the Statement of Changes in Equity.

3.9 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or Liability
- The principal or the most advantageous market must be accessible to/ by the Company

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

3.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are measured in their entirety at either amortized cost or fair value, depending on the classification of financial asset.

► Financial Assets at amortized cost:

A Financial Asset is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortization and losses arising from impairment are recognized in the Statement of Profit & Loss. The amortized cost of the financial asset is also adjusted for loss allowance, if any

► Financial Assets at FVTOCI:

A Financial Asset is measured at fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at fair value and changes therein are recognized directly in other comprehensive income, net of applicable taxes.

► Financial Assets at FVTPL:

FVTPL is a residual category for Financial Assets.

Any Financial Asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a Financial Instrument which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial Assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

Presentation in Financial Statements:

The company has made an election for classification and subsequent measurement for its investments based on its business model and is disclosed in relevant note of investments respectively.

Derecognition of Financial Assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on de-recognition is recognized in the Statement of Profit and Loss.

Impairment of financial assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e. g. Loans and trade receivables.
- The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities

Initial recognition and measurement:

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial liabilities are initially measured at fair value deducted by, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Subsequent measurement:

Financial liabilities are classified as measured at amortised cost using the effective interest method. The Company's financial liabilities include trade payables, borrowings and other financial liabilities.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as expense over the relevant period of the financial liability in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

3.11 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short- term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.12 Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

3.13 Inventories

Inventories are stated at lower of cost and net realizable value. Costs comprise the direct materials and includes all duties, taxes and other expenses incurred to bring the inventories to their present location and condition except those taxes which are subsequently recoverable from the taxing authorities. Net realizable value is the price at which the Inventories can be realized in the ordinary course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Raw Materials are valued 'at Cost' or Net Realisable whichever is lower on FIFO basis.

Finished products are valued at lower of cost determined by reducing a standard margin of profit from the expected sales price or net realizable value whichever is lower

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.

3.14 Foreign currency

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.

Exchange differences arising on settlement of transactions and translation of monetary items are recognized in the statement of Profit or Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

3.15 Revenue Recognition

Sale of Products

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. Sale of products include related ancillary services, if any.

Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts. Sales are disclosed excluding net of sales returns and Goods and Service Tax (GST).

Sale of Scrap

Revenue from sale of scrap is recognized as and when scrap is sold.

Interest Income

Interest Income is recognized on a time proportionate basis including interest accrued based on the amount outstanding and rate applicable and shown under "Other Income".

Export Benefits

The benefits accrued under the duty drawback scheme and Merchandise Export from India Scheme (MEIS) as per the Import and export Policy in respect of exports under the said scheme are recognized when there is a reasonable assurance that the benefit will be received and the company will comply with all attached conditions. The above benefits have been included under the head 'Export Incentives.'

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption.

Dividend income

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims:

Insurance claims are accounted on accrual basis when there is reasonable certainty of realisability of the claim amount.

Other Non-Operating Income:

Other Items of Income not connected directly with the operation of the Company are disclosed under “Other Non-Operational Income” under the head “Other Income” depending on certainty of accrual / realization of the same.

3.16 Earnings Per Share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders’ and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders’ and weighted average number of equity shares.

3.17 Dividends

Any dividend declared by Chemcrux Enterprises Limited is based on the profits available for distribution as reported in the statutory financial statements of Chemcrux Enterprises Limited (standalone) prepared in accordance with Generally Accepted Accounting Principles in India or Indian GAAP or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of Chemcrux Enterprises Limited (Standalone) prepared in accordance with Generally Accepted Accounting Principles in India, or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act.

However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these financial statements may not be fully distributable.

3.18 Cash Flow Statement

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

3.19 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the assets are substantially ready for their intended use. The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised in the year in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.20 Segment Reporting

With respect (Ind AS - 108 Segment Reporting), 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 business of manufacturing and processing of Bulk Drug Intermediates and its related products belong to one business segment only.

3.21 Government grants

Government grants are recognised at its fair value, where there is a reasonable assurance that such grants will be received and compliance with the conditions attached therewith have been met.

Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received. Grants received less amounts credited to the statement of profit and loss at the reporting date are included in the balance sheet as deferred income.

3.22 Goods and Services Tax:

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.

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.

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, as applicable, the GST liability is worked out after offsetting the credit available against the GST collected and balance is reflected as an Asset or Liability.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

4 PROPERTY, PLANT & EQUIPMENT AND TANGIBLE ASSETS:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK
		As at 1 st April, 2023	Additions During the year	Adjustment / Deduction during the year	As at 31st March, 2024	Upto 1st April, 2023	Change for the year	Adjustment /Deduction During the year	Upto 31st March, 2024	As at 31st March, 2024
	Tangible Assets									
1	Land	201.31	-	-	201.31	-	-	-	-	201.31
2	Factory Building	1,236.99	228.58	-	1,465.57	136.07	44.67	-	180.73	1,284.84
3	Office Premises	6.67	-	-	6.67	6.22	-	-	6.22	0.45
4	Furniture & Fixtures	33.84	1.43	-	35.28	11.25	3.00	-	14.25	21.03
5	Computer	22.36	3.61	-	25.98	18.78	2.30	-	21.08	4.90
6	Motor Car	76.94	-	-	76.94	20.19	9.16	-	29.35	47.60
7	Office Equipment	35.29	0.87	-	36.16	18.99	4.26	-	23.25	12.90
8	Plant & Machinery	2,457.77	118.74	139.00	2,437.51	736.67	152.70	12.16	877.21	1,560.31
9	Pollution Control System	89.32	-	-	89.32	39.82	-	-	39.82	49.51
	Total	4,160.51	353.24	139.00	4,374.75	987.99	216.07	12.16	1,191.90	3,182.84

	Particulars	As at 1 st April, 2022	Additions During the year	Adjustment / Deduction during the year	As at 31st March, 2023	Upto 1st April, 2022	Change for the year	Adjustment /Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
	Tangible Assets									
1	Land	201.31	-	-	201.31	-	-	-	-	201.31
2	Factory Building	866.16	370.83	-	1,236.99	102.53	33.23	-0.30	136.07	1,100.92
3	Office Premises	6.67	-	-	6.67	6.22	-	-	6.22	0.45
4	Furniture & Fixtures	31.77	2.08	-	33.84	8.39	2.86	-	11.25	22.59
5	Computer	19.89	2.48	-	22.36	17.02	1.76	-	18.78	3.58
6	Motor Car	68.22	17.54	8.82	76.94	17.96	8.04	5.81	20.19	56.76
7	Office Equipment	23.62	11.67	-	35.29	15.86	3.13	-	18.99	16.29
8	Plant & Machinery	1,791.11	680.71	14.05	2,457.77	607.98	136.05	7.36	736.67	1,721.10
9	Pollution Control System	86.00	-	(3.32)	89.32	36.44	5.87	2.50	39.82	49.51
		3,094.74	1,085.30	19.54	4,160.51	812.41	190.95	15.37	987.99	3,172.52

* The company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Intangible assets recognised as of April 1, 2021 (transition date) measured as per the previous GAAP and use that carrying value.

5 CAPITAL WORK IN PROGRESS:

(In Lakhs)

	Particulars	As at 31st March, 2024	As at 31st March, 2023
1	Projects Work In Progress		
	Opening Balance	30.52	-
	Add: Addition	2,075.27	30.52
	Less: Capitalised During the year	-	-
	Closing Balance	2,105.78	30.52
2	Projects Temporarily Suspended		
	Opening Balance	-	-
	Add: Addition	-	-
	Less: Capitalised During the year	-	-
	Closing Balance	-	-
	Total	2,105.78	30.52

5.1 Capital work in progress includes borrowing cost of Rs 1,23,26,845 (PY Nil)

6 INVESTMENT PROPERTY:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK
		As at 1 st April, 2023	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2024	As at 1 st April, 2023	For the year	Adjustment / Deduction During the year	Upto 31st March, 2024	As at 31st March, 2024
1	Office Premises at GIFT City, Gandhinagar	67.78	-	-	67.78	-	-	-	-	67.78
		67.78	-	-	67.78	-	-	-	-	67.78
	Particulars	As at 1 st April, 2022	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	For the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
		As at 1 st April, 2022	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	For the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
1	Office Premises at GIFT City, Gandhinagar	67.78	-	-	67.78	-	-	-	-	67.78
		67.78	-	-	67.78	-	-	-	-	67.78

7 RIGHT OF USE ASSETS:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK
		As at 1 st April, 2023	Additions During the Year	Adjustment / Deduction during the Year	As at 31st March, 2024	As at 1 st April, 2023	For the year	Adjustment / Deduction During the year	Upto 31st March, 2024	As at 31st March, 2024
1	Office Building	123.43	-	-	123.43	54.51	12.34	-	66.86	56.57
		123.43	-	-	123.43	54.51	12.34	-	66.86	56.57
	Particulars	As at 1 st April, 2022	Additions During the Year	Adjustment / Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	For the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
		As at 1 st April, 2022	Additions During the Year	Adjustment / Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	For the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
1	Office Building	123.43	-	-	123.43	42.17	12.34	-	54.51	68.91
		123.43	-	-	123.43	42.17	12.34	-	54.51	68.91

8 OTHER INTANGIBLE ASSETS:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK
		As at 1 st April, 2023	Additions During the Year	Adjustment / Deduction during the Year	As at 31st March, 2024	As at 1 st April, 2023	For the year	Adjustment / Deduction During the year	Upto 31st March, 2024	As at 31st March, 2024
1	Computer Software	5.88	-	-	5.88	4.23	0.11	-	4.34	1.54
		5.88	-	-	5.88	4.23	0.11	-	4.34	1.54
	Particulars	As at 1 st April, 2022	Additions During the Year	Adjustment / Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	For the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
		As at 1 st April, 2022	Additions During the Year	Adjustment / Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	For the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
1	Computer Software	4.78	1.10	-	5.88	3.81	0.43	-	4.23	1.65
		4.78	1.10	-	5.88	3.81	0.43	-	4.23	1.65

9 INVESTMENTS:

(In Lakhs)

Particulars	Face Value	As at 31st March, 2024		As at 31st March, 2023	
		Units	Rs.	Units	Rs.
Non-Current					
Investment in Equity Instruments (At Cost)					
In Joint Venture (Un-quoted)					
Kalichem Private Limited	10	5,000	0.50	5,000	0.50
(Fully paid up equity share of 10 each)					
Proportion of Ownership/Voting Rights					
March 31, 2024 - 50%					
March 31, 2023 - 50%					
In Others (Un-quoted) (At Cost)					
Narmada Clean Tech Ltd	10	36,703	3.67	36,703	3.67
(Previously known as Bharuch Eco-Acqua Inf. Ltd)					
Ankleshwar Research & Analytical Infrastructure Ltd.	10	10,000	1.00	10,000	1.00
Total			5.17		5.17

Aggregate amount of Quoted Investment & Market Value thereof - Nil (PY Nil)

Aggregate value of Unquoted Investment is Rs 5.17 Lakhs (PY: Rs. 5.17 Lakhs)

Aggregate amount of Impairment in value of Investment is Nil (PY: Nil)

Particulars	Face Value	As at 31st March, 2024		As at 31st March, 2023	
		Units	Rs.	Units	Rs.
Current					
Investment in Mutual Funds (At Fair Value through OCI)					
Quoted , Non Trade					
UTI Money Market Fund		69,696	1,977.41	63,513	1,673.47
Total			1,977.41		1,673.47

Aggregate amount of Quoted Investment & Market Value thereof: Rs 1977.41 Lakhs (PY: Rs 1673.47 Lakhs)

Aggregate value of Unquoted Investment.

Aggregate amount of Impairment in value of Investment is Nil (PY: Nil)

10 LOANS:

(In Lakhs)

Loans					
Particulars				As at 31st March, 2024	As at 31st March, 2023
	Unsecured - Considered Good				
	Loans To Related Party			350.00	280.00
	Joint Venture - Kalichem Private Limited				
	(A moratorium is in place on both interest payments and principal repayment until the end of fiscal year when commercial production starts. In next two years, only interest payments will be made. The principal will then be repaid over five annual installments, with interest payments continuing during this period.)				
	Other Loans			-	-
				350.00	280.00

11 OTHER FINANCIAL ASSETS - NON-CURRENT (UNSECURED, CONSIDERED GOOD):

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Security deposits			187.63	163.41
	Bank Deposits with maturity above 12 month			-	-
				187.63	163.41

12 OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD):

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Capital Advances			-	-
	Excess of Fair Value of Plan Assets over Present value of Gratuity Obligation			-	11.55
				-	11.55

13 INVENTORIES:

(In Lakhs)

Particulars			As at 31st March, 2024	As at 31st March, 2023
	Raw materials		216.74	205.43
	Stores and Spares		3.40	2.93
	Work-in-progress		227.95	425.79
	Finished goods		392.97	774.92
			841.06	1,409.07
(At cost or net realizable value whichever is lower, unless otherwise stated)				
Refer Note 3.13 for details of valuation.				

14 TRADE RECEIVABLES – CURRENT:

(In Lakhs)

Particulars			As at 31st March, 2024	As at 31st March, 2023
	<u>Unsecured, considered good</u>			
	Due from Related Parties		-	-
	Due from Others		1,529.98	1,343.92
	Total Trade Receivables		1,529.98	1,343.92
	TRADE RECEIVABLES AGEING SCHEDULE			
	<u>Undisputed Trade Receivables, considered good</u>			
	- less than 6 months		1,494.78	1,306.86
	- 6 months to 1 year		34.98	31.47
	- 1 year to 2 years		0.12	3.24
	- 2 year to 3 years		0.10	0.03
	- More than 3 years		0.00	2.31
	Total		1,529.98	1,343.92
	<u>Undisputed Trade Receivables, which have significant increase in credit risk and Credit Impaired</u>			
	- not yet due		-	-
	- less than 6 months		-	-
	- 6 months to 1 year		-	-
	- 1 year to 2 years		-	-
	- 2 year to 3 years		-	-
	- More than 3 years		-	-
	Total		-	-
	<u>Disputed Trade Receivables, considered good</u>			
	- not yet due		-	-
	- less than 6 months		-	-
	- 6 months to 1 year		-	-
	- 1 year to 2 years		-	-
	- 2 year to 3 years		-	-
	- More than 3 years		-	-
	Total		-	-

	<u>Disputed Trade Receivables, which have significant increase in credit risk and Credit Impaired</u>			
	- not yet due			-
	- less than 6 months			-
	- 6 months to 1 year			-
	- 1 year to 2 years			-
	- 2 year to 3 years			-
	- More than 3 years			-
	Total			-
	Total			1,529.98
				1,343.92

15 CASH AND CASH EQUIVALENTS:

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Balances with Banks				
	- In Current Accounts			4.63	115.85
	- Balances held in Unpaid Dividend Accounts			0.46	0.37
	Cash on hand			2.46	2.51
				7.56	118.73

16 OTHER BANK BALANCES:

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Other Bank Balances				
	- Deposits held as Margin Money			10.68	10.68
	- Other Fixed Deposits with Bank (Less than 12 Months Maturity)			500.00	580.00
				510.68	590.68

17 LOANS:

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Unsecured - Considered Good				
	Loans to Staff			23.02	15.33
				23.02	15.33

18 OTHER FINANCIAL ASSETS - CURRENT:

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Unsecured - Considered Good				
	Earnest Money Deposit and Others			-	-
	Accrued Interest Income			2.24	1.31
				2.24	1.31

19 OTHER CURRENT ASSETS:

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	(Unsecured, considered good)				
	- Advances to Suppliers			4.89	289.69
	- Prepaid Expenses			23.63	15.03
	- Balances with Government Authorities			53.70	38.39
	- Other Advances			55.20	24.73
				137.42	367.83

20 EQUITY SHARE CAPITAL:

(No. of shares in actual and amount In Lakhs)

Particulars		As at 31st March, 2024		As at 31st March, 2023	
		No. of shares	Amount	No. of shares	Amount
(a) Authorised					
	Equity shares of par value Rs 10/- each	1,50,00,000	1,500.00	1,50,00,000	1,500.00
		1,50,00,000	1,500.00	1,50,00,000	1,500.00
(b) Issued, subscribed and fully paid up					
	Equity shares of par value Rs 10/- each at the beginning of the year	1,48,08,840	1,480.88	1,48,08,840	1,480.88
	Changes during the year	-	-	-	-
	At the end of the year	1,48,08,840	1,480.88	1,48,08,840	1,480.88

(No. of shares in actual and amount In Lakhs)

Particulars		As at 31st March, 2024		As at 31st March, 2023	
		No. of shares	Amount	No. of shares	Amount
(c) Reconciliation of Number of Shares					
	Shares at the beginning of the year	1,48,08,840	1,480.88	1,48,08,840	1,480.88
	Add: Bonus Shares issued	-	-	-	-
	Shares at the close of the year	1,48,08,840	1,480.88	1,48,08,840	1,480.88

(d) The Company has not issued any shares for a consideration other than cash during the period of five years immediately preceding the reporting date except 98,72,560 Equity Share of Rs. 10/- each allotted as fully paid-up Bonus Shares in the ratio of 2:1 by Capitalisation of Security Premium and balance out of the Free Reserve being Surplus in the Statement of Profit & Loss during FY 2021-22.

(e) The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The holders of Equity Shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) SHAREHOLDING OF PROMOTERS:

(No. of shares in actual)

	<i>Name of shareholder</i>	As at 31st March, 2024		As at 31st March, 2023	
		No. of shares held	% of holding	No. of shares held	% of holding
	Promoters:				
	Girish C Shah	53,99,240	36.46	54,00,240	36.47
	Sanjay Y Marathe	53,99,740	36.46	54,00,240	36.47
	Change during the year		% of Change		% of Change
	Girish C Shah		-0.01		-
	Sanjay Y Marathe		#		-
	#Less than 0.01%				

(g) SHARES HELD BY SHAREHOLDERS EACH HOLDING MORE THAN 5% OF THE SHARES:

(No. of shares in actual)

	<i>Name of shareholder</i>	As at 31st March, 2024		As at 31st March, 2023	
		No. of shares held	% of holding	No. of shares held	% of holding
	Girish C Shah	53,99,240	36.46	54,00,240	36.47
	Sanjay Y Marathe	53,99,740	36.46	54,00,240	36.47
	Change during the year		% of Change		% of Change
	Girish C Shah		-0.01		-
	Sanjay Y Marathe		#		-
	#Less than 0.01%				

21 OTHER EQUITY:

(In Lakhs)

Particulars		As at 31st March, 2024		As at 31st March, 2023	
(a) Retained earnings					
	Balance as per Last Account	5,121.79		3,982.14	
	Add : Surplus as per Statement of Profit and Loss	844.43		1,435.83	
	Amount available for appropriation	5,966.22		5,417.97	
	Less : Appropriations:				
	Dividend on equity shares	296.18		296.18	
	Utilized for issuance of Bonus Shares	-		-	
	Transfer to general reserve	-		-	
	Balance at the end of the year		5,670.04		5,121.79
(b) Securities Premium Reserve					
	Balance as per last account	-		-	
	Add: Securities Premium received during the year	-		-	
	Less: Utilised For issuance of Bonus Shares	-		-	
	Balance at the end of the year		-		-
(c) Other Comprehensive Income (OCI)					
	Balance as per Last Account	37.91		5.32	
	Add: Other comprehensive income for the year	66.27		32.59	
	Less: Re-Classified to Statement of Profit and Loss for the Year	29.25		-	
	Balance at the end of the year		74.93		37.91
	Total other equity		5,744.97		5,159.70

22 NON-CURRENT FINANCIAL LIABILITY:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
Long Term Borrowings			
Secured Loans			
Term Loan From Bank	(Repayable in 84 monthly instalments from March 23 having moratorium period of 13 month during which only interest payable and from April 24 both interest and principal payable.)	2,152.68	1,025.64
From NBFC		-	-
		2,152.68	1,025.64
Unsecured Loans			
Loan from Directors		-	-
		-	-
Total		2,152.68	1,025.64

Balances of Term Loans from Kotak Mahindra Bank Ltd include:

Term Loans from Kotak Mahindra Bank were secured against all existing and future receivables, current assets and movable property plant and equipments. Rate of Interest is RPRR 6.50% (as per latest sanction) + 2.75% (spread) i.e. 9.25%. The company has been given a 13-month moratorium. Only interest will be paid during the moratorium period and principal will begin in March 2024.

The above facilities were 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.

23 LEASE LIABILITIES:

(In Lakhs)

Lease Liabilities			
Particulars		As at 31st March, 2024	As at 31st March, 2023
NON CURRENT			
Lease Liability Payable beyond 12 months		77.24	90.59
CURRENT			
Lease Liability Payable within 12 months		13.35	10.57
Total Lease Liabilities		90.59	101.16
The Movement in Lease liabilities is as follows:			
Balance as at beginning of the year		101.16	109.33
Add: Addition			
Accretion of interest		7.73	8.47
Less: Payments		18.30	16.64
Closing balance as at 31st March		90.59	101.16

24 OTHER FINANCIAL LIABILITIES:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	NON CURRENT	-	-
	Total Non Current Other Financial Liabilities	-	-
	CURRENT		
	Unpaid Dividends	0.28	0.19
	Security Deposits	-	-
		0.28	0.19

25 PROVISIONS:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	NON CURRENT		
	Provision for Employee Benefits: - Provision for Gratuity	17.56	-
	Total Non Current Provisions	17.56	
	CURRENT		
	Provision for Employee Benefits: - Provision for Leave Encashment	-	-
	- Provision for Others	-	-
	Total Current Provisions	17.56	

(Refer note no 51)

26 DEFERRED TAX ASSETS/LIABILITY (NET):

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Deferred Tax Asset	21.42	-
	Deferred Tax Liabilities	239.28	180.77
		217.86	180.77

Deferred tax (asset)/liabilities in relation to:

(In Lakhs)		
Particulars	As at 31.03.2024	As at 31.03.2023
Opening balance		
Loss allowances on trade receivables (Expected Credit Loss)	-	-
Non deductible expenses for tax purpose	-	-
Property, plant and equipment	180.77	127.91
Investments carried at FVTPL		
Total	180.77	127.91
Recognised in Profit or loss		
Loss allowances on trade receivables (Expected Credit Loss)	-	-
Non deductible expenses for tax purpose	(12.98)	-
Property, plant and equipment	24.87	52.87
Investments carried at FVTPL	-	-
Total	11.89	52.87
Recognised in Other comprehensive income		
Investments carried at FVTOCI	33.64	-
Remeasurement of Defined benefit plans (OCI)	-	-
Fair Value Gain/Loss on Defined Benefit Plan	(8.44)	-
Total	25.20	-
Closing balance	217.86	180.77
Loss allowances on trade receivables (Expected Credit Loss)	-	-
Non deductible expenses for tax purpose	(12.98)	-
Property, plant and equipment	205.64	180.77
Investments carried at FVTOCI	33.64	-
Fair Value Gain/Loss on Defined Benefit Plan	(8.44)	-

27 SHORT - TERM BORROWINGS:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
SECURED			
From Bank			
Cash Credit Facility (Loan Repayable on Demand)		1.85	301.24
Current Maturities of Long Term Debts			
(Principal due in 12 Months)			
Kotak Mahindra Prime Ltd Car Loan		0.00	14.65
Plant & Machinery Term Loan-Kotak Bank		308.57	0.00
Civil Construction Term Loan-Kotak Bank		91.54	0.00
		401.96	315.89

The Company has obtained sanction of Cash Credit Limits of Rs 500 Lacs against First and Exclusive Charges on all existing and future current assets. The Facilities are further secured by way of mortgage of immovable property of the Company as a Collateral as well as personal guarantees of the two directors i.e. Girish Shah and Sanjay Marathe. The applicable Rate of Interest is RPRR 6.50% (as per latest sanction) + 2.75% (spread) i.e. 9.25%.

28 TRADE PAYABLES – CURRENT:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	<u>Total outstanding dues of creditors</u>		
	Due to Micro and Small Creditors	304.94	390.00
	Due to Other Creditors	397.84	413.23
		702.78	803.23
	Sundry Creditors are as per books and have not been corroborated by circulation / confirmation of balances.		
	<i>TRADE PAYABLES AGEING SCHEDULE(Outstanding for following periods from due date of payment)</i>		
	<u>Micro and small enterprises</u>		
	- less than 1 year	304.94	390.00
	- 1 year to 2 years	-	-
	- 2 year to 3 years	-	-
	- More than 3 years	-	-
		304.94	390.00
	<u>OTHERS</u>		
	- less than 1 year	397.84	413.23
	- 1 year to 2 years	-	-
	- 2 year to 3 years	-	-
	- More than 3 years	-	-
		397.84	413.23

NOTE: Refer Note No.52 for Dues to Micro and Small Enterprises

Dues to Micro and Small Enterprises:

With reference to amounts shown as payable to Micro, Small and Medium Enterprises, the information has been compiled in respect of parties to the extent they could be identified as Micro, Small and Medium Enterprises on the basis of information collected and available with the Company and same has been relied upon by the auditors. The Company deals with various Micro Small and Medium Enterprises on mutually accepted terms and conditions.

29 OTHER CURRENT LIABILITIES:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Advance's from Customers	0.06	-
	Statutory Liabilities	24.06	16.82
	Others Current Liabilities	137.48	113.59
		161.60	130.41

30 CURRENT TAX LIABILITIES (NET):

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Provision for Current Taxation (Net of Advance Tax)	15.52	123.98
		15.52	123.98

31 REVENUE FROM OPERATIONS:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Sale Of Goods		
	- Domestic Sales	4,296.74	6,183.33
	- Export Sales	1,437.79	1,893.37
	Other Operating Revenues		
	- Job Work	2,112.00	1,438.54
	Total	7,846.53	9,515.24

32 OTHER INCOME:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	<u>Interest Income</u>		
	Fixed Deposits With Banks	1.01	0.59
	Income tax Refunds	-	2.40
	Interest On Advances	2.82	5.32
	Interest on Deposits	35.34	20.49
	<u>Dividend Income</u>	-	-
	Net Gain on Sale of Investments	34.38	37.99
	Duty Drawback / Advance License /MEIS License	25.68	11.74
	Exchange rate difference	21.27	19.16
	<u>Other Non- Operating Income</u>	-	-
	Profit On Sales Of Asset	-	1.68
	Miscellaneous Income	13.04	5.84
	Total	133.54	105.21

33 COST OF MATERIAL CONSUMED:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Raw Material		
	Balance as per last account	205.43	417.86
	Add: Purchases during the year	2,512.36	4,369.04
	Less: Balance at the end of the year	216.74	205.43
	TOTAL (A)	2,501.06	4,581.47
	Packing Material Consumed	32.19	29.86
	TOTAL (B)	32.19	29.86
	Total Consumption (A+B)	2,533.25	4,611.32

34 PURCHASE OF STOCK IN TRADE:

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Purchases	-	-
		-	-

35 CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS & STOCK-IN-TRADE:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	(Increase)/ Decrease in Stocks		
	Stock at the end of the Year:		
	Finished Goods	392.97	774.92
	Work In Progress	227.95	425.79
	TOTAL(A)	620.92	1,200.71
	Less: Stock at the Beginning of the year:		
	Finished Goods	774.92	522.17
	Work In Progress	425.79	214.15
	TOTAL(B)	1,200.71	736.31
	TOTAL (B-A)	579.79	- 464.40

36 EMPLOYEE BENEFIT EXPENSES:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Salaries, Wages and Bonus & other allowances	809.91	686.88
	Contributions to Provident Fund and Other Funds	32.93	32.18
	Gratuity Expenses	7.22	(2.27)
	Staff Welfare Expenses	32.86	74.54
	Total	882.91	791.33

37 FINANCE COSTS:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Interest Expenses on Borrowings	56.97	37.00
	Bank Charges & Other Borrowing Cost	12.65	17.17
	Finance Charges on Lease Liability	7.73	8.47
	Discount Charges	5.90	19.20
	Total	83.24	81.84

38 OTHER EXPENSES:

(In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Consumable Stores and Spares Consumed	105.82	152.16
Power and Fuel	727.35	665.62
Labour Charges	169.77	121.41
Freight Inward, Octroi & Transportation	116.85	59.57
Other Factory Expense	781.69	798.50
Repairs & Maintenance: Building	-	24.80
Repairs & Maintenance: Plant & Machinery	132.38	204.63
Office & General Administration Expenses	16.28	14.44
Rent, Rates and Taxes	10.90	6.61
Insurance	61.16	49.21
Legal and Professional Fees	70.12	68.26
Security charges	37.03	28.43
Prior Period Expense	10.56	-
Sundry Balance Written Off (Net)	1.45	-
Payments to Auditors (Please refer note 47)	1.50	1.00
Travelling Expense	9.88	13.36
Commission & Brokerage	5.40	5.90
Donation	10.89	0.31
Vehicle Exp	9.11	7.78
Freight Outward & Custom Charges for Exports	193.48	166.43
Advertisement Exp	6.25	5.28
Loss on sale of Asset	16.84	-
CSR Activity	34.51	30.93
GPCB Penalty	-	7.20
Total	2,529.21	2,431.84

39 OTHER COMPREHENSIVE INCOME:

(In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Items that will not be reclassified to profit or loss		
Defined Benefit Plan on Gratuity	(45.09)	11.79
Income tax relating to items that will not be reclassified to profit or loss	(11.35)	2.97
(ii) Items that will be reclassified to profit or loss		
Fair Value Gain on Investments	133.65	31.76
Less: Income tax relating to items that will not be reclassified to profit or loss	33.64	7.99
Total	66.27	32.59

40 DISCLOSURE REQUIRED BY SECTION 186(4) OF THE COMPANIES ACT, 2013:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Details of Loan Given to Kalichem Private Limited (A 50:50 Joint Venture of Chemcrux Enterprises Limited and Kalintis Healthcare Private Limited)	350.00	280.00
Total	350.00	280.00

- 41** Trade Payables and Trade Receivables are as per books and have been corroborated by circulation / confirmation of balances / reconciliation of accounts in case of few major parties. Confirmations of other parties concerned, for the amount receivable / due to them as per accounts of the company, are under process and any reconciliation and adjustments required, will be made thereupon.
- 42** In the opinion of the Board, the Current Assets, Loans and Advances which are considered good are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business. Further, in the opinion of the Board, provision of all known liabilities has been adequately made in the accounts.
- 43** Company has used the borrowing from Bank for the specific purpose for which it was taken at Balance sheet date.

44 CONTINGENT LIABILITIES AND COMMITMENTS:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Contingent Liabilities		
Claims against the Company not acknowledged as debt Guarantees (Bank Guarantee)	750.00	750.00
Total	750.00	750.00
Commitments		
Estimated amounts of contracts remaining to be executed on capital account and not provided for	700.00	2,000.00
Uncalled liability on shares or investments partly paid		
Other Commitments		
Total	700.00	2,000.00

45 LEASES:

The Company has entered into lease arrangements for Vadodara Office Premises that are renewable on a periodic basis with approval of both lessor and lessee.

Lease liabilities are presented in the statement of financial position as follows

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Current	13.35	10.57
Non Current	77.24	90.59

Future Minimum Lease Payments are as follow

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Within 1 Year	13.35	10.57
1-5 Year	77.24	74.51
More than 5 Year	-	16.07

The following are amounts recognised in profit or loss:

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Depreciation expense of right-of-use assets	12.34	12.34
Interest expense on lease liabilities	7.73	8.47
	-	-

46 DIRECTOR'S REMUNERATION:

Directors' remuneration paid during the year is in accordance with the approval of the Shareholders sanctioned to the Company under Section 197 of the Companies Act, 2013 for giving the Remuneration above the limits prescribed by Section 197 read with Section II of Part-II of Schedule V of the Companies Act, 2013. The amounts paid includes the following:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Remuneration	240.00	168.00
Performance Bonus	67.20	67.20
Total	307.20	235.20

47 AUDITORS REMUNERATION:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Audit Fees	1.00	1.00
In other Capacity	0.50	0.50
Total	1.50	1.50

48 INCOME TAX EXPENSE:

The major component of Income Tax expenses for the year ended March 31, 2024 and March 31, 2023 are as under:

Tax Expense reported in the Statement of Profit and Loss

(In Lakhs)

<i>Particulars</i>	Year Ended	
	March 31, 2024	March 31, 2023
Current income tax		
Current income tax	285.00	476.26
Adjustment for previous year taxes	1.83	(0.15)
Total current income tax	286.83	476.11
Deferred tax		
Relating to origination and reversal of temporary differences	11.89	52.87
Tax Expense reported in the Statement of Profit and Loss	298.72	528.98
Tax on Other Comprehensive Income		
Deferred tax related to items recognised in OCI during the year	22.29	10.96
Total tax expense	321.01	539.94

Balance Sheet Section

<i>Particulars</i>	Year Ended	
	March 31, 2024	March 31, 2023
Current Tax Liabilities (Net of Advance Tax)	15.52	123.98
Deferred Tax Liabilities	217.86	180.77

Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2024

<i>Particulars</i>	Year Ended	
	March 31, 2024	March 31, 2023
Accounting profit before tax	1,143.15	1,964.80
Income tax expense @25.17%	287.73	494.54
Tax effect of the amounts which are not deductible / (taxable) in calculating taxable income	(6.19)	(37.22)
Effect of origination and reversal of deferred tax	11.89	52.87
Income tax relating to earlier years	1.83	(0.15)
Other	3.46	18.93
Tax expense as per Statement of Profit and Loss	298.72	528.98
Effective tax rate	26.13%	26.92%

49 RELATED PARTY TRANSACTIONS:

The Company has identified all the related parties having transactions during the year in line with Indian Accounting Standard (Ind AS)- 24. Details of the same are as under:

List of Related Parties:

Name of Related Party	Nature of Relationship
Mr. Sanjay Y Marathe	Managing Director
Mr. Girishkumar C Shah	Chairman & Wholetime Director
Mrs. Neela Marathe	Relative of Managing Director (Non-Executive Director till 04.08.2023)
Mrs. Sidhdhi G Shah	Relative of Chairman & Whole Time Director (Non- Executive Director w.e.f. 04.08.2023)
Mr Mukund Bakshi	Independent Director
Mr Shailesh Patel	Independent Director
Mr Bhanubhai Patel	Independent Director
Mr. Krutarth Parikh	CFO till 13.09.2023
Mr. Ramesh Kambariya	CFO from 08.12.2023
Mrs. Dipika Rajpal	CS
Dr Prem's Molecules Private Ltd	Enterprise over which Key Management Personnel have significant influence
Kalichem Private Limited	Joint Venture
Payal Girish Shah	Relative of Chairman & Wholetime Director
Nikita Swapnil Marathe	Relative of Managing Director
Swapnil Sanjay Marathe	Relative of Managing Director

Transactions with Related Parties

Name of Related Party	Nature of Transaction	(In Lakhs)	
		During The Year	
		March 31, 2024	March 31, 2023
Mr. Sanjay Y Marathe	Remuneration	120.00	84.00
	Bonus	33.60	33.60
	Dividend	108.00	108.00
Mr. Girishkumar C Shah	Remuneration	120.00	84.00
	Bonus	33.60	33.60
	Dividend	107.99	108.00
Mrs. Neela Marathe	Rent Paid	9.15	8.32
	Sitting Fees	0.15	0.45
	Dividend*	0.00	0.00
Mrs. Sidhdhi G Shah	Rent Paid	9.15	8.32
	Sitting Fees	0.15	-
	Dividend*	0.00	0.00
Mr. Bhanubhai Patel	Sitting Fees	0.70	0.35
Mr. Mukund Bakshi	Sitting Fees	0.40	0.50
Mr. Shailesh Patel	Sitting Fees	0.35	0.55
Mr. Krutarth Parikh	Salary	2.71	5.77
	Dividend*	0.00	0.00
Mr. Ramesh Kambariya	Salary	2.82	-
Mrs. Dipika Rajpal	Salary	4.41	4.32
	Dividend*	0.00	0.00
Dr Prem's Molecules Private Ltd	-	-	-
Kalichem Private Limited	Loan Given	70.00	155.00
	Interest Income	31.12	17.04
	Sales	-	20.00
Payal Girish Shah	Dividend*	0.00	0.00
Nikita Swapnil Marathe	Dividend	0.06	0.12
Swapnil Sanjay Marathe	Dividend*	0.00	0.00

Note for Dividend*: Where zero is reflected, amount is less than Rs. 1000.

Related Party Balance Outstanding at the end of the year	Nature of Transaction	Year Ended	
		March 31, 2024	March 31, 2023
Mr. Sanjay Y Marathe	Balance Outstanding	6.60	4.50
Mr. Girishkumar C Shah	Balance Outstanding	6.60	4.50
Mrs. Neela Marathe	Balance Outstanding	-	-
Mrs. Sidhdhi G Shah	Balance Outstanding	-	-
Mr. Bhanubhai Patel	Balance Outstanding	-	-
Mr. Mukund Bakshi	Balance Outstanding	-	-
Mr. Shailesh Patel	Balance Outstanding	-	-
Mr. Krutarth Parikh	Balance Outstanding	-	-
Mr. Ramesh Kambariya	Balance Outstanding	0.52	-
Mrs. Dipika Rajpal	Balance Outstanding	0.37	-
Dr Prem's Molecules Private Ltd	Balance Outstanding	-	-
Kalichem Private Limited	Balance Outstanding (Principal Amount of Loan)	350.00	280.00
Kalichem Private Limited	Balance Outstanding (Interest on Loan)	46.41	18.41

50 EARNINGS PER SHARE:

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (In Lakhs)	844.43	1,435.83
Weighted Average number of equity shares used as denominator for calculating EPS (In Lakhs)	148.09	148.09
Basic and Diluted Earnings per share (In Rs.)	5.70	9.70
Face Value per equity share (In Rs.)	10.00	10.00

51 EMPLOYEE BENEFIT:

Provident Fund dues amounting to Rs. 30.29 Lakhs (p.y Rs. 28.70 Lakhs) paid during the year/period being defined contributions have been charged to the Statement of Profit and Loss.

Leave Encashment, though a defined benefit obligation, falls under short-term compensated absences in terms of the policy of the Company. The value of obligation towards entitlement of employees accumulating earned leave and eligibility of compensation or encashment of the same is determined on the basis of the expected amount required to be paid as a result of actual unused entitlement standing to the credit of the employees as at end of the year based on current salary standards. Accordingly, a sum of Rs. 2.63 Lakhs (P.y. Rs 3.48 Lakhs) has been determined as obligation as at the year/period end and charged to the Statement of Profit and Loss.

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 20 Lakhs. 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.

(In Lakhs)

Method Used	Projected Unit Credit Method	
Actuarial Assumptions Used	LIC (1994-96)	
Discount Rate	7.25%	
Expected Return on Plan Assets	8.00%	
Salary Escalation Rate	7.00%	
Major Categories of Plan Assets	Insurer Managed Funds – 100%	
	31st, March 2024	31st, March 2023
Change in Present Value of Defined Benefit Obligation		
Present Value of Obligations as at the beginning of the Year	166.88	170.55
Interest Cost	12.10	12.51
Current Service Cost	8.59	9.23
Benefits Paid	(16.02)	(13.64)
Actuarial (gains) / losses on obligation	45.09	(11.79)
Present Value of Obligations as at the end of the Year	216.64	166.88
Change in Fair Value of Plan Assets		
Fair Value of Plan Assets as at the beginning of the Year	178.42	179.48
Expected Return on Plan Assets	13.46	12.23
Contributions	23.20	0.35
Benefits Paid	(16.02)	(13.64)
Actuarial (gains) / losses on Plan Assets	-	-
Fair Value of Plan Assets as at the end of the Year	199.07	178.42
Defined Benefit Obligation as recognized in Balance Sheet		
Present Value of Obligations as at the Year end	216.64	166.88
Unrecognised Past Service Cost	-	-
Fair Value of Plan Assets as at the Year end	199.07	178.42
Net (Asset) / Liability recognized in Balance Sheet	17.57	(11.54)
Net Gratuity Benefit Expenditure Recognised in P&L Account		
Current Service Cost	8.59	9.23
Interest Cost	12.10	12.51
Expected Return on Plan Assets	(13.46)	(12.23)
Net Actuarial (Gain) / Loss Recognised in the Year	45.09	(11.79)
Net Expense Recognised in Statement of Profit & loss	52.31	(2.26)

The estimates of rate escalation in salary is considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2023-24.

The plan typically exposes the Company to actuarial risks such as: interest rate risk, liquidity risk, salary escalation risk and regulatory risk.

Interest Rate Risk:

The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:

This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000)

52 DUES TO MICRO & SMALL ENTERPRISES:

The dues to Micro & Small Enterprises as required under the Micro, Small and Medium Enterprise Development Act, 2006 to the extent information available with the company is given below:

Dues to Micro and Small Enterprises	(In Lakhs)	
	Year Ended March 31, 2024	March 31, 2023
a) The principal amount remaining unpaid to any supplier at the end of the year	304.94	390.00
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of the deductible expenditure under section 23 of the MSMED Act, 2006	-	-
Total	304.94	390.00

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.

53 ADDITIONAL REGULATORY INFORMATION:

- There are no immovable properties (other than properties where the Company is a lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.
- The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- The Company has not granted any Loans or Advances in the nature of loans to Promoters, Directors, KMPs and Related Parties either severally or jointly with other persons that are repayable on demand or without specifying any terms or period of repayment.

- iv. The Capital Work-in-Progress ageing schedule for the year ended on March 31, 2024 and March 31, 2023 is as follows:

			(In Lakhs)	
Amount in CWIP for a period of			March 31, 2024	March 31, 2023
Less than 1 Year			2,075.27	30.52
1-2 Years			30.52	-
2-3 Years			-	-
More than 3 Years			-	-
Total			2,105.78	30.52

As on date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

- v. The Company did not have and Intangible Assets under Development as at the end of the year.
- vi. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- vii. The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- viii. The Company has not entered into any transactions with Struck-off Companies.
- ix. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period or otherwise.
- x. The Company has a direct investment in Joint Venture which does not have any further downstream investment. Hence, it is in compliance with the number of layers prescribed under Section 2 (87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017.
- xi. There was no Scheme of Arrangements during the year.
- xii. The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- xiii. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- xiv. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- xv. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 54 The Company has been sanctioned Working Capital Limits of Rs 500 Lakhs which are inter-alia against security of current assets. The Company has filed the Statements of Current Assets on monthly basis. Quarterly statement of current assets submitted by company with Banks are in agreement with books of accounts.
- 55 There are no amounts pending to be transferred to the Investors Education and Protection Fund as at the end of the year.

56 IMPAIRMENT OF ASSETS:

In absence of any indications, external or internal, as to any probable impairment of assets, no provision has been made for same during the year under report.

57 INTERESTS IN JOINT VENTURES:

<u>Name of Joint Ventures</u>	<u>Share</u>
Kalichem Private Limited	50%

58 CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

(In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Gross Amount Required to be spent by the Company during the year (as per the provisions of S. 135 of the Companies Act, 2013 read with rules thereon)	34.43	30.82
Amount of Expenditure Incurred	34.51	30.93
Shortfall, if any, at the end of the year	-	-
Total of Previous Years Shortfall	-	-
Reason for Shortfall	NA	NA
Details of Related Party Transactions in CSR	None	None
Provision Made for CSR and Movements therein	None	None

NATURE OF CSR ACTIVITIES:

(In Lakhs)

Name of the Project	Item from the list of activities in schedule VII to the Act	Year Ended	
		March 31, 2024	March 31, 2023
Provided training Equipment's (bicycle and gears) to National Level Player	Item II Promoting Sports	1.75	-
Contributed in development of Science college facility to Ankleshwar Environmental Preservation Society	Item II Promoting Education	10.00	-
Supported for Education of Children of S R Rotary Institute of Chemical Technology through Ankleshwar Rotary Education Society	Item II Promoting Education	6.00	-
Contributed in development of Sports Complex facility through Ankleshwar Industrial Development Society	Item II Promoting Sports	7.00	-
Contributed for Hearse Vehicle (funeral vehicle) and biers through Shri Hari Seva Trust	Item I Promoting preventive health care	3.10	-
Provided support to purchase Healthcare Equipment's in Muni Seva Ashram	Item I Promoting preventive health care	6.66	-
Total		34.51	30.93

59 CAPITAL MANAGEMENT:

For the purpose of the Company's Capital Management, Capital includes issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Company is monitoring Capital using debt equity ratio as its base, which is total debt divided by total equity.

(In Lakhs)

Particulars			Year Ended	
			March 31, 2024	March 31, 2023
Gross Debt (Long Term and Short Term Borrowings) (A)			2,554.64	1,341.53
Total Equity (B)			7,225.85	6,640.58
Net Debt to Equity Ratio (A/B)			0.35	0.20

60 FINANCIAL INSTRUMENTS DISCLOSURES:

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3.10 to the financial statements

A. Classification of Financial Assets and Liabilities:

(In Lakhs)

Particulars			Year Ended	
			March 31, 2024	March 31, 2023
Financial assets				
Measured fair value through Other Comprehensive Income				
Investment in Mutual Funds			1,977.41	1,673.47
Measured at Amortized Cost				
Investment in Equity Instrument (At Cost)			5.17	5.17
Cash and Cash Equivalent			7.56	118.73
Other Bank Balances			510.68	590.68
Trade Receivables			1,529.98	1,343.92
Loans			373.02	295.33
Other Financial assets			189.87	164.72
			-	-
Financial liabilities				
Measured at Amortized Cost				
Trade Payables			702.78	803.23
Borrowings			2,554.64	1,341.53
Lease Liabilities			90.59	101.16
Other Financial Liabilities			0.28	0.19

B. Fair Value Measurement:

This note provides information about how the Company determines fair values of various financial assets

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined

Financial Assets at fair value through Other Comprehensive Income

(In Lakhs)

Particulars	As At	Fair Value		
		Level 1	Level 2	Level 3
Financial assets				
Measured fair value through Other Comprehensive Income				
Investment in Mutual Fund	March 31, 2024	1,977.41		
Financial assets				
Measured fair value through Other Comprehensive Income				
Investment in Mutual Fund	March 31, 2023	1,673.47		

Valuation technique and key input: NAV declared by respective Asset Management Companies.

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There have been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2024 and year March 31, 2023.

61 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an internal part of how to plan and execute its business strategies. The company is exposed to market risk, credit risk and liquidity risk.

The company senior management oversees the management of these risks. The senior Professionals working to manage the financial risks and the appropriate financial risk governance framework for the company are accountable to the Board of Directors and Audit Committee. This process provided assurance the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objectives. In the event of crises caused due to external factors such as caused by recent pandemic "COVID 19" the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure there is enough liquidity in these situations through internal and external source of funds. These forecast and assumptions are reviewed by board of directors.

1. Risk Management Framework

The Company's board of directors has overall responsibility for establishment and Oversight of the company's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the Mechanism of property defined framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

2. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic and export market. The management impact analysis shows credit risk and impact assessment as low.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. The company management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the Directors of the company. Most of the Company's customers have been transacting with the company for over Five to Ten years against those customers. In monitoring customer credit risk, Customers are reviewed according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry and existence of previous financial difficulties. The company

has not written off any amount in recent past for impairment in receivables. In view of the same no provision for impairment is done in current financial year. Management uses practical experience for deriving expected credit losses based on historical credit loss experience & adjustment for forward looking assumptions. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, trade receivables and loans and advances.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

3. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2024:

(In Lakhs)

Particulars	Carrying Amount	Upto 1 Year	1-5 Years	More than 5 Years
Borrowings (including current maturities)	2,554.64	401.96	1,600.42	552.26
Trade Payables	702.78	702.78	-	-
Lease Liabilities	90.59	13.35	77.24	-
Other Financial Liabilities	0.28	0.28	-	-

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2023:

(In Lakhs)

Particulars	Carrying Amount	Upto 1 Year	1-5 Years	More than 5 Years
Borrowings (including current maturities)	1,341.53	315.89	703.29	322.34
Trade Payables	803.23	803.23	-	-
Lease Liabilities	101.16	10.57	74.51	16.07
Other Financial Liabilities	0.19	0.19	-	-

4. Market Risk

Market risk is the risk that changes in market prices- such as foreign exchange rates, interest rates and equity prices- will affect the Company's income or the value of its holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The major components of market risk are foreign currency risk, interest rate risk and price risk.

i. Interest Rate Risk

It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

ii. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Sundry Debtors	501.96	30.08
Sundry Creditors	108.41	189.87
Total	610.38	219.95

Company has not entered in any Forward Contract to hedge above foreign exposure and there are no outstanding Forward Contracts are at the end of the year.

Foreign Currency Sensitivity

The Company is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR, EURO-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Assets:		
Weakening of INR by 5%	25.10	1.50
Strengthening of INR by 5%	(25.10)	(1.50)
Liabilities		
Weakening of INR by 5%	(5.42)	(9.49)
Strengthening of INR by 5%	5.42	9.49

iii. Price Risk

The Company has deployed its surplus funds into units of mutual fund. The Company is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in liquidity and credit quality of underlying securities.

NAV price sensitivity analysis

The Sensitivity analyses below have been determined based on the exposure to NAV price risks at the end of the reporting period. If NAV prices had been 1% higher/lower:

Profit for the year ended 31st March 2024 would increase/decrease by Rs. 19.77 Lakhs (Previous Year Rs. 16.73 Lakhs).

62 DIVIDENDS:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Equity Shares		
Final Dividend of Rs 2 per each 1,48,08,840 equity share	296.18	
Final Dividend of Rs 2 per each 1,48,08,840 equity share		296.18

The Board of Directors of the Company in its meeting held on May 06, 2024 has approved and recommended final dividend of Rs 1/- i.e., (10%) per equity share of the Company having face value of Rs 10/- each for the financial year 2023-2024, subject to approval from shareholders.

63 BORROWING COST:

During the year, the company capitalized borrowing costs amounting to Rs 123.27 Lakhs (PY Nil).

64 SEGMENT REPORTING:

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.

65 KEY FINANCIAL RATIOS:

Ratio	Numerator	Denominator	Mar-24	Mar-23	% Variance	Reason for variance
(a) Current ratio (times)	Total Current Assets	Total Current Liabilities	3.88	3.99	-2.65%	-
(b) Debt-equity ratio (times)	Short Term Borrowing + Long Term Borrowing	Total Equity	0.35	0.20	75.00%	The increase in the ratio is due to an increase in long term borrowings.
(c) Debt service coverage ratio (times)	Profit Before Interest and Tax	Total Debts Service (Interest + Finance Lease Payment + Principal Repayment)	0.42	1.13	-62.47%	The decrease in the ratio is due to an increase in the borrowing cost.
(d) Return on equity ratio (percentage)	Net Profit after Tax	Total Equity	12.18%	23.72%	-48.64%	Decrease in ratio due to decrease in net profit
(e) Inventory turnover ratio (times)	Net Sales	Average Inventory	6.97	7.42	-5.95%	-
(f) Trade receivables turnover ratio (times)	Net Sales	Average Trade Receivables	5.46	5.89	-7.27%	-
(g) Trade payables turnover ratio (times)	Net Purchases	Average Trade Payable	3.34	4.45	-25.05%	The decrease in the ratio is due to an increase in average trade payable.
(h) Net Working capital turnover ratio (times)	Net Sales	Working Capital	3.75	4.13	-9.14%	-
(i) Net profit ratio (percentage)	Net Profit	Sales	10.76%	15.09%	-28.68%	Decrease in ratio due to decrease in net profit
(j) Return on capital employed (percentage)	Earning Before Interest and Tax	Capital Employed	11.82%	21.57%	-45.18%	Decrease in ratio due to decrease in earning before interest and tax
(k) Return on investment (percentage)	Profit After Tax	Total Assets	7.69%	15.40%	-50.10%	Decrease in ratio due to decrease in net profit

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

67 The Standalone financial Statements for the year ended 31st March 2024 were approved by the Board of Directors in their meeting held on 06th May 2024.

For Naresh & Co
Chartered Accountants
FRN: 106928W

Sd/-
CA Harin Parikh
Partner
Membership No: 107606

UDIN: 24107606BKAOPX1372
Place: Vadodara
Dated: 06.05.2024

For and on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291

Sd/-
Ramesh Kambariya
CFO
Place: Vadodara

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388

Sd/-
Dipika Rajpal
CS
Dated: 06.05.2024

INDEPENDENT AUDITOR'S REPORT

**To,
The Members of Chemcrux Enterprises Limited**

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **CHEMCRUX ENTERPRISES LIMITED (the "Company")** and its Joint Venture **Kalichem Private Limited (the Joint Venture)** (the Company and its Joint Venture together referred to as "the Group") which comprises the Consolidated Balance sheet **as at 31st March, 2024**, the Consolidated Statement of Profit & Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate standalone financial statements of the Joint Venture (Kalichem Private Limited), the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group as at March 31, 2024, their Consolidated Profit including Other Comprehensive Income, their Consolidated Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial statements under the provisions of the Companies Act, 2013 and the Rules 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 obtained by us and the audit evidence obtained by other auditors in terms of their reports is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of the Key Audit Matter

During the course of our audit of the Company, a significant area of focus was the identification and bifurcation of certain expenses incurred of similar nature between Revenue and Capital nature. This was particularly relevant due to the ongoing expansion and modernization activities at the plant, which involved substantial expenditures. As such, since the Company operates as Chemical Plant, the expenditure on Repairs and Maintenance is routinely incurred. There is a lot of similarity in the nature of expenditure incurred for both the above purposes i.e. expansion and repairs. Hence, the assessment of whether these expenses should be classified as revenue or capital expenditures involves complex judgments.

The classification of expenses as either revenue or capital in nature is critical because it directly affects the financial position and performance of the Company and the Group. Revenue expenditures are expensed in the period they are incurred, impacting the profit or loss for the year, while capital expenditures are capitalized and

depreciated over time, affecting both the balance sheet and future income statements. Given the significant judgment involved in this area and the potential impact on the financial statements, we considered this to be a key audit matter.

Auditor's Response

Our audit procedures included, but were not limited to, the following:

- **Evaluation of Management's Process:** We assessed the process used by management to identify and bifurcate and segregate the expenses related to the expansion and modernization activities from expenses of similar nature incurred for repairs. This included evaluating the criteria set by management for classifying expenses as capital or revenue in nature.
- **Testing of Sample Transactions:** We selected a sample of expenses and traced them to supporting documentation to verify whether the classification as revenue or capital expenditures was appropriate. This included verifying the nature of the expenditure, the timing of the incurrence, and its alignment with the company's capitalization policy.
- **Review of Significant Contracts:** We reviewed contracts related to major capital expenditure to understand the nature of the work performed and the related expenses to ensure proper classification.
- **Discussion with Management:** We held discussions with management to understand the rationale behind their judgments, particularly for expenses that were difficult to classify.
- **Assessment of Consistency:** We examined whether the approach to classifying expenses as revenue or capital was consistent with prior periods and with applicable accounting standards.

Based on the procedures performed, we found that the management's classification of expenses between revenue and capital nature was reasonable and in accordance with the applicable financial reporting framework.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance, Shareholder's Information and Other Information included in the Company's Annual Report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our Auditor's Reports thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014. The respective Board of Directors of the Companies included in the group are responsible for maintaining adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the group 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 Consolidated Financial Statements, the respective management is responsible for assessing the ability of the respective Companies included in the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management Companies included in the Group either intends to liquidate the respective companies to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls. The said S. 143(3)(i) is not applicable to the Joint Venture and hence their Auditors' have not expressed a separate opinion thereon.
- 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 or its Joint Venture's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company or its Joint Venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matters

Consolidation of Interest in the Joint Venture Kalichem Private Limited has been done as per Ind AS-110 "Consolidated Financial Statements" and Ind AS 28 "Investments in Associates and Joint Ventures."

We did not audit the standalone financial statements of the Joint Venture which has no profit or loss since it has not commenced commercial operations. Those standalone financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the Joint Venture is based solely on the reports of the other auditor.

Our opinion on the Consolidated Financial Statements and our report on Other Legal and Regulatory requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("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 of the aforesaid Consolidated Financial Statements.
 - (b) In our opinion, proper books of accounts as required by the law have been kept by the Group, so far as it appears from our examination of the said books;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit & Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.
 - (e) On the basis of written representations received from the directors of the Company, as on 31st March, 2024, and taken on record by the Board of Directors of the Company and the reports of the statutory auditors of Joint Venture, we report that none of the directors of companies included in the Group are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls in the Group; refer to our separate report in Annexure – B attached herewith.
 - (g) With respect to the matter to be included in the Auditors Report u/s. 197(16) of the Act, in our opinion and according to information and explanations given to us, the remuneration paid by company to its directors is in accordance with the provisions of Section 197 of the Act read with Schedule V in terms of requisite approvals obtained as mandated therein 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) There are no pending litigations.

(ii) The Company and its Joint Venture does not have any long-term contracts for which there were material foreseeable losses for which provision is required.

(iii) There were no amounts which were required to be transferred to the Investor Protection Fund by the Company.

(iv) (a) The Respective Management of the Group has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Respective Management of the Group has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

(vi) Based on our examination which included test checks, and based on the other auditor's reports of its Joint Venture, the Company and its Joint Venture has used accounting software systems for maintaining their respective books of account for the financial year ended 31 March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

FOR, NARESH & CO.
CHARTERED ACCOUNTANTS
(F.R.N. 106928W)

SD/-

CA Harin Parikh
PARTNER

(M R N : 107606)

UDIN: 24107606BKAOPY4671

Date: 06.05.2024
Place: Vadodara

"ANNEXURE – A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirement's" section of our Report of even date for the year ended 31st March 2024 on the Consolidated Financial Statements of the Group)

- (i) The Independent Auditors Report being a Report on Consolidated Financial Statements, Paragraph (i) to (xx) of the Order are not applicable.
- (ii) There are no qualifications or adverse remarks by us as the Auditors of the Company in our report / statement on the matters specified in Paragraph 3 & 4 of the Order and similarly there are no qualifications or adverse remarks by the Auditors of the Joint Venture in their report / statement on the matters specified in Paragraph 3 & 4 of the Order.

**FOR, NARESH & Co.
CHARTERED ACCOUNTANTS
(F.R.N. 106928W)**

**Sd/-
CA HARIN PARIKH
PARTNER
(M R N : 107606)**

UDIN: 24107606BKAOPY4671

**DATE: 06.05.2024
PLACE: VADODARA**

"ANNEXURE – B" TO THE INDEPENDENT AUDITOR'S REPORT

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

(Referred to in Paragraph 2(f) under 'Report on Other Legal and Regulatory Requirement's' section of our Report of even date for the year ended 31st March 2024 on the Consolidated Financial Statements of the Group)

We have audited the internal financial controls over financial reporting with reference to the Consolidated Financial Statements of **CHEMCRUX ENTERPRISES LIMITED** ("the Company") and Kalichem Private Limited ("the Joint Venture) **as on 31st March, 2024** in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to the consolidated financial statement based on our audit conducted for the same in respect of the Company and based on Management Representation in respect of the Joint Venture, since the Joint Venture was exempt from obtaining an Audit Opinion on the same, as mentioned in the Other Matter section of this Report.

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

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

We believe that the audit evidence we have obtained during our Audit in respect of the Company and the Management Representation in respect of the Joint Venture is sufficient appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting with reference to the consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting

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

A company's internal financial control over financial reporting includes those policies and procedures that

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company and Its Joint Venture have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company and its Joint Venture considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matter:

Our aforementioned opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to the Consolidated Financial Statements insofar as it related to the Company is based on our Audit of the same and insofar as it related to the Joint Venture is based on Management Representation for the same, since the Joint Venture is exempted from obtaining an Audit Opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting as per notification G.S.R. 583(E) dated June 13, 2017 issued by MCA as reported by the Auditors of the Joint Venture in their Audit Report on its Standalone Financial Statements

**FOR, NARESH & Co.
CHARTERED ACCOUNTANTS
(F.R.N. 106928W)**

Sd/-

**CA HARIN PARIKH
PARTNER**

(M R N : 107606)

UDIN: 24107606BKAOPY4671

DATE: 06.05.2024

PLACE: VADODARA

CHEMCRUX ENTERPRISES LIMITED- CONSOLIDATED BALANCESHEET AS AT 31ST MARCH 2024

(In Lakhs)

	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
I.	ASSETS			
(1)	Non - Current Assets			
	(a) Property, Plant and Equipment	4	3,182.84	3,172.52
	(b) Capital Work In Progress	5	2,105.78	30.52
	(c) Investment Property	6	67.78	67.78
	(d) Right of Use Assets	7	56.57	68.91
	(e) Other Intangible Assets	8	1.54	1.65
	(f) Financial Assets			
	(i) Investments	9	5.17	5.17
	(ii) Loans	10	350.00	280.00
	(iii) Others	11	187.63	163.41
	(g) Other Non - Current Assets	12	-	11.55
(2)	Current Assets			
	(a) Inventories	13	841.06	1,409.07
	(b) Financial Assets			
	(i) Investments	9	1,977.41	1,673.47
	(ii) Trade Receivables	14	1,529.98	1,343.92
	(iii) Cash and Cash Equivalents	15	7.56	118.73
	(iv) Other Bank Balances	16	510.68	590.68
	(v) Loans	17	23.02	15.33
	(vi) Others	18	2.24	1.31
	(c) Other Current Assets	19	137.42	367.83
	Total Assets		10,986.68	9,321.85
II.	EQUITY AND LIABILITIES			
(1)	Equity			
	(a) Equity Share Capital	20	1,480.88	1,480.88
	(b) Other Equity	21	5,744.97	5,159.70
	Liabilities			
(2)	Non - Current Liabilities			
	(a) Financial Liabilities			
	(i) Long Term Borrowings	22	2,152.68	1,025.64
	(ii) Lease Liabilities	23	77.24	90.59
	(iii) Other Financial Liabilities	24	-	-
	(b) Provisions	25	17.56	-
	(c) Deferred Tax Liability (net)	26	217.86	180.77
(3)	Current liabilities			
	(a) Financial liabilities			
	(i) Short Term Borrowings	27	401.96	315.89
	(ii) Lease Liabilities	23	13.35	10.57
	(iii) Trade Payables	28		
	a) Total Outstanding Dues of Micro Enterprises and Small Enterprises		304.94	390.00
	b) Total Outstanding Dues of Creditors Others than Micro Enterprises and Small Enterprises		397.84	413.23
	(iv) Other Financial Liabilities	24	0.28	0.19
	(c) Other Current Liabilities	29	161.60	130.41
	(b) Provisions	25	-	-
	(d) Current Tax Liabilities (net)	30	15.52	123.98
	Total Equity and Liabilities		10,986.68	9,321.85
	The accompanying notes 1 to 67 are an integral part of the Financial Statements.			

As per our report of even date attached.

For Naresh & Co
Chartered Accountants
FRN: 106928W

Sd/-
CA Harin Parikh
Partner
Membership No: 107606
UDIN: 24107606BKAOPY4671
Place: Vadodara
Dated: 06.05.2024

For and on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291
Sd/-
Ramesh Kambariya
CFO
Place: Vadodara

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388
Sd/-
Dipika Rajpal
CS
Dated: 06.05.2024

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2024

(In Lakhs)

	Particulars	Note No.	Year ended 31st March, 2024	Year ended 31st March, 2023
I.	Revenue from Operations	31	7,846.53	9,515.24
II.	Other Income	32	133.54	105.21
III.	Total Income (I+II)		7,980.07	9,620.45
IV.	Expenses:			
	Cost of Materials Consumed	33	2,533.25	4,611.32
	Purchase of Stock in Trade	34	-	-
	Changes in Inventories of Finished Goods and Work in Progress	35	579.79	464.40
	Employee Benefits Expense	36	882.91	791.33
	Finance Costs	37	83.24	81.84
	Depreciation and Amortization Expense	4,7,8	228.52	203.72
	Other Expenses	38	2,529.21	2,431.84
	Total Expenses (IV)		6,836.92	7,655.65
V.	Profit Before share in profit of Joint Venture (III-IV)		1,143.15	1,964.80
VI.	Share in Profit/(Loss) of Joint Venture (Net of Tax)		-	-
VII.	Profit Before Tax		1,143.15	1,964.80
VIII.	Tax Expense :			
	Current Tax		285.00	476.26
	Deferred Tax		11.89	52.87
	Income Tax relating to Earlier Years		1.83	0.15
			298.72	528.98
IX.	Profit for The Year		844.43	1,435.83
X	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	- Defined Benefit Plan		(45.09)	11.79
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(11.35)	2.97
	(iii) Items that will be reclassified to profit or loss			
	-Fair Value Gain on Investments		133.65	31.76
	(iv) Income tax relating to items that will be reclassified to profit or loss		33.64	7.99
	Total Other Comprehensive Income, Net of Tax		66.27	32.59
XI.	Total Comprehensive Income for The Year		910.70	1,468.42
XII.	Earnings per Equity Share (Nominal value per share Rs. 10/-)			
	- Basic (Rs.)		5.70	9.70
	- Diluted (Rs.)		5.70	9.70
	The accompanying notes 1 to 67 are an integral part of the financial statements.			

As per our report of even date attached.

For Naresh & Co
Chartered Accountants
FRN: 106928W

Sd/-
CA Harin Parikh
Partner
Membership No: 107606
UDIN: 24107606BKAOPY4671
Place: Vadodara
Dated: 06.05.2024

For and on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291
Sd/-
Ramesh Kambariya
CFO
Place: Vadodara

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388
Sd/-
Dipika Rajpal
CS
Dated: 06.05.2024

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(In Lakhs)

Sr.	Particulars	Year ended 31st March , 2024	Year ended 31st March , 2023
A.	Cash flow from Operating Activities :		
	<i>Net Profit before Tax & Extra Ordinary Items</i>	1,143.15	1,964.80
	Adjustment for :		
	Depreciation & Write-offs	228.52	203.72
	Loss/(Profit) on Sale of PPE	16.84	(1.68)
	Interest Expense	83.24	81.84
	<i>Operating Profit before Working Capital Changes</i>	1,471.76	2,248.67
	Adjustments for :		
	(Increase)/Decrease in Trade Receivables	(186.06)	543.79
	(Increase)/Decrease in Inventories	568.01	(251.90)
	(Increase)/Decrease in Loans & Advances	(8.61)	(16.64)
	(Increase)/Decrease in other current assets	230.41	180.76
	Increase/(Decrease) in Trade Payable	(100.44)	(356.56)
	Increase/(Decrease) in Other Current Liabilities	(69.34)	(501.05)
	Increase/(Decrease) in Long term provisions	17.56	-
	<i>Cash Generated from Operating Activities</i>	1,923.28	1,847.06
	Direct Taxes Paid	(269.48)	(365.03)
	<i>Cash Flow before Extra Ordinary Items</i>	1,653.80	1,482.04
	Prior Period Items (being cash items)	-	-
	<i>Net Cash Flow from Operating Activities</i>	1,653.80	1,482.04
B.	Cash Flow from Investing Activities		
	Purchase of PPE	(2,428.51)	(1,116.92)
	Net Proceeds from Sale of PPE	110.00	5.85
	Dividend Received	-	-
	Investments (Net)	(266.93)	(937.16)
	<i>Net Cash used in Investment Activities</i>	(2,585.44)	(2,048.23)
C.	Cash Flow from Financing Activities		
	Interest Paid	(83.24)	(81.84)
	(Increase)/Decrease in Financial and Other - Non Current Assets	(82.66)	(57.77)
	Increase/(Decrease) in Short Term Borrowings	86.07	(485.61)
	Increase/(Decrease) in Lease Liabilities	(10.57)	(8.17)
	Increase/(Decrease) in Long Term Borrowings	1,127.04	1,025.64
	Dividend Paid (incl. Tax Thereon)	(296.18)	(296.18)
	<i>Net Cash used in Financing Activities</i>	740.46	96.08
D.	Net Increase/(Decrease) in Cash and Bank Balances	(191.17)	(470.12)
	Cash and Cash Equivalents at beginning of the year	709.41	1,179.53
	Cash & Bank balances at the end of the year	518.24	709.41
	Details of Cash and Bank Balance		
	Balance with Banks	5.09	116.22
	Cash on Hand	2.46	2.51
	Deposits held as Margin Money	10.68	10.68
	Other Fixed Deposit with Bank	500.00	580.00

For Naresh & Co
Chartered Accountants
FRN: 106928W

Sd/-
CA Harin Parikh
Partner
Membership No: 107606
UDIN: 24107606BKAOPY4671
Place: Vadodara
Dated: 06.05.2024

For and on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291
Sd/-
Ramesh Kambariya
CFO
Place: Vadodara

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388
Sd/-
Dipika Rajpal
CS
Dated: 06.05.2024

RECONCILIATION OF LIABILITIES FROM FINANCIAL ACTIVITIES

(In Lakhs)

Particulars		Lease Liabilities	Long Term Borrowings	Short Term Borrowings
Opening Balance (FY 2023-24)		101.16	1,025.64	315.89
Opening Balance (FY 2022-23)		109.33	-	801.50
Cash inflow / (Outflow) (FY 2023-24)		(18.30)	1,127.04	86.07
Cash inflow / (Outflow) (FY 2022-23)		(16.64)	1,025.64	(485.61)
Non Cash Changes (FY 2023-24)		7.73	-	-
Non Cash Changes (FY 2022-23)		8.47	-	-
Closing Balance (FY 2023-24)		90.59	2,152.68	401.96
Closing Balance (FY 2022-23)		101.16	1,025.64	315.89

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

(a) Equity Share capital

(In Lakhs)

	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the year ended 31st March, 2023	1,480.88	-	1,480.88
For the year ended 31st March, 2024	1,480.88	-	1,480.88

(b) Other Equity

(In Lakhs)

	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Other Comprehensive Income	
Balance as at 1st April, 2022	-	-	3,982.14	5.32	3,987.46
Profit for the year	-	-	1,435.83	-	1,435.83
Other Comprehensive Income (net of tax)					
- Remeasurement of Defined Benefit Plan	-	-	-	8.82	8.82
- Fair Value Impact of Investment to be routed through OCI	-	-	-	23.77	23.77
Dividends paid including dividend tax thereon	-	-	(296.18)	-	(296.18)
Balance as at 31st March, 2023	-	-	5,121.79	37.91	5,159.70
Balance as on 1st April, 2023	-	-	5,121.79	37.91	5,159.70
Profit for the year	-	-	844.43	-	844.43
Other Comprehensive Income (net of tax)					
- Remeasurement of Defined Benefit Plan	-	-	-	(33.74)	(33.74)
- Fair Value Impact of Investment to be routed through OCI	-	-	-	100.01	100.01
Less: Re-Classified to Statement of Profit and Loss for the Year	-	-	-	(29.25)	(29.25)
Dividends paid including dividend tax thereon	-	-	(296.18)	-	(296.18)
Balance as at 31st March, 2024	-	-	5,670.04	74.93	5,744.97

For Naresh & Co
Chartered Accountants
FRN: 106928W

Sd/-
CA Harin Parikh
Partner
Membership No: 107606
UDIN: 24107606BKAOPY4671

Place: Vadodara
Dated: 06.05.2024

For and on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291

Sd/
Sanjay Marathe
Managing Director
DIN: 01316388

Sd/-
Ramesh Kambariya
CFO

Sd/-
Dipika Rajpal
CS

Place: Vadodara
Dated: 06.05.2024

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS ANNEXED THERETO FOR THE YEAR ENDED 31ST MARCH 2024

1. General Information of the Group:

Chemcrux Enterprises Limited (“the Company”) was incorporated in April 1996 under erstwhile Companies Act, 1956 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. It manufactures Bulk Drug Intermediates & cater the Domestic & International market.

The Equity Shares of Company were listed on the BSE SME exchange 28th March 2017. Thereafter the Company has successfully migrated to the Main Board of the BSE from 5th May, 2022.

These Consolidated Financial Statements comprise of the financial statements of **CHEMCRUX ENTERPRISES LIMITED (“the Company”)** and its Joint Venture **M/s. KALICHEM PRIVATE LIMITED** (collectively referred to as “the group”) as at 31st March, 2024.

2. Statement of compliance and basis of preparation and presentation:

a. Statement of Compliance

The Consolidated Financial Statements has been prepared to comply in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time, relevant provisions of the Act and other accounting principles generally accepted in India. The accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Basis of Preparation, Presentation and Measurement

These Consolidated Financial Statements are presented in Indian Rupees (₹/ Rs.), which is also the Group’s functional currency. All amounts have been rounded-off to two decimal places to the nearest Lakhs, unless otherwise indicated.

These Consolidated financial statements have been prepared on an accrual basis and under the historical cost basis except as under:

- a) certain financial assets and liabilities are measured at fair value or amortized cost (refer accounting policy regarding financial instruments)
- b) defined benefit liability is measured as per actuarial valuation

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Consolidated Financial Statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

c. Basis of Consolidation

The consolidated financial statements comprise of the financial statements of **CHEMCRUX ENTERPRISES LIMITED (“the Group”)** and its Joint Venture **M/s. KALICHEM PRIVATE LIMITED** (collectively referred to as “the Group”) as at 31st March, 2024.

The financial statements of Joint Ventures have been consolidated using equity method in accordance with IND AS 28 “Investments in Associates and Joint Ventures” whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition changes in the investor’s share of the investee’s net assets. The investor’s profit or loss includes its share of the investee’s profit or loss and the investor’s other comprehensive income includes its share of the investee’s other comprehensive income after eliminating unrealized profits or losses.

The financial statements of the Joint Venture used in consolidation are drawn up to the same reporting date as that of the group Company i.e. 31st March, 2024.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If an entity of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the Group’s accounting policies.

d. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

e. Critical Accounting Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i. Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii. Employee Benefit Plans

The cost of the defined benefit gratuity plan, other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

iv. Property, Plant and Equipment

Useful lives and residual values are determined by the management at the time the asset is acquired and reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

f. Amendments to Existing Accounting Standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

3. Significant Accounting Policies:

3.1 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non- current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

3.2 Property, Plant & Equipments

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use but are net of tax credits (GST) availed, including borrowing costs capitalized on qualifying assets. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group.

All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, Plant and Equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Depreciation on property, plant and equipment has been provided using straight line method using rates determined based on management's assessment of useful economic lives of the asset upon the asset being put to use.

Followings are the estimated useful lives of various category of assets used which are aligned with useful lives defined in schedule II of Companies Act, 2013:

Office Building	30 Years
Factory Building	30 Years
Furniture & Fixture	10 Years
Vehicles	8 Years
Plant & Machinery	15 Years
Office Equipment	5 Years
Computers	3 Years
Pollution Control System	15 Years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is de- recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

Capital work-in-progress (CWIP)

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in progress.

Investment property

Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Group, is classified as Investment property. Investment properties measured initially at cost including related transitions cost and where applicable borrowing cost. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

3.3 Intangible assets

Recognition and Measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the Group, it is probable that the future economic benefits that are attributable to the asset will flow to the Group and cost of the asset can be reliably measured.

Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset.

Intangible assets acquired by the Group that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Subsequent Measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for current and comparative periods are as follows:

Operating Software	10 Years
--------------------	----------

3.4 Leases

The Group determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Group in return for payment.

The Group as lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that such options would be exercised.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of profit and loss in the period in which the events or conditions which trigger those payments occur.

In a sale and lease back transaction, the Group measures right-of-use asset arising from the leaseback as the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The gain or loss that the Group recognises in the statement of profit and loss is limited to the proportion of the total gain or loss that relates to the rights transferred to the buyer.

The Group as lessor

Operating lease

Rental income from operating leases is recognised in the statement of profit and loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight-line basis over the lease term.

Finance lease

When assets are leased out under a finance lease, the present value of minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

3.5 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.6 Provisions, Contingent Liabilities and Contingent Assets

Provisions:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in respective expense.

Contingent Liabilities and Contingent Assets:

Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

3.7 Income Tax

Current Tax:

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Current income tax

assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

3.8 Employee Benefits

Short-term Employee Benefits:

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans:

Defined Contribution Plans

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employees render the related services.

Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's gratuity scheme is a defined benefit plan. The Group recognises the defined benefit liability in Balance sheet. The present value of the obligation under such defined benefit plan and the related current service cost and, where applicable past service cost is determined based on an actuarial valuation done using the Projected Unit Credit Method by an independent actuary, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) is reflected immediately in Other Comprehensive Income in the Statement of Profit and loss. All other expenses related to defined benefit plans are recognised in Statement of Profit and Loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to Statement of Profit and Loss hence it is treated as part of retained earnings in the Statement of Changes in Equity.

3.9 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or Liability
- The principal or the most advantageous market must be accessible to/ by the Group

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

3.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are measured in their entirety at either amortized cost or fair value, depending on the classification of financial asset.

➤ Financial Assets at amortized cost:

A Financial Asset is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortization and losses arising from impairment are recognized in the Statement of Profit & Loss. The amortized cost of the financial asset is also adjusted for loss allowance, if any

► **Financial Assets at FVTOCI:**

A Financial Asset is measured at fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at fair value and changes therein are recognized directly in other comprehensive income, net of applicable taxes.

► **Financial Assets at FVTPL:**

FVTPL is a residual category for Financial Assets.

Any Financial Asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a Financial Instrument which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial Assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

Presentation in Financial Statements:

The Group has made an election for classification and subsequent measurement for its investments based on its business model and is disclosed in relevant note of investments respectively.

Derecognition of Financial Assets:

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on de-recognition is recognized in the Statement of Profit and Loss.

Impairment of financial assets:

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e. g. Loans and trade

receivables.

- The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities

Initial recognition and measurement:

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

All financial liabilities are initially measured at fair value deducted by, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Subsequent measurement:

Financial liabilities are classified as measured at amortised cost using the effective interest method. The Group's financial liabilities include trade payables, borrowings and other financial liabilities.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as expense over the relevant period of the financial liability in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

3.11 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short- term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.12 Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

3.13 Inventories

Inventories are stated at lower of cost and net realizable value. Costs comprise the direct materials and includes all duties, taxes and other expenses incurred to bring the inventories to their present location and condition except those taxes which are subsequently recoverable from the taxing authorities. Net realizable value is the price at which the Inventories can be realized in the ordinary course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Raw Materials are valued 'at Cost' or Net Realisable whichever is lower on FIFO basis.

Finished products are valued at lower of cost determined by reducing a standard margin of profit from the expected sales price or net realizable value whichever is lower

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.

3.14 Foreign currency

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.

Exchange differences arising on settlement of transactions and translation of monetary items are recognized in the statement of Profit or Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

3.15 Revenue Recognition

Sale of Products

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied. Sale of products include related ancillary services, if any.

Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts. Sales are disclosed excluding net of sales returns and Goods and Service Tax (GST).

Sale of Scrap

Revenue from sale of scrap is recognized as and when scrap is sold.

Interest Income

Interest Income is recognized on a time proportionate basis including interest accrued based on the amount outstanding and rate applicable and shown under "Other Income".

Export Benefits

The benefits accrued under the duty drawback scheme and Merchandise Export from India Scheme (MEIS) as per the Import and export Policy in respect of exports under the said scheme are recognized when there is a reasonable assurance that the benefit will be received and the Group will comply with all attached conditions. The above benefits have been included under the head 'Export Incentives.'

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption.

Dividend income

Revenue is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims:

Insurance claims are accounted on accrual basis when there is reasonable certainty of realisability of the claim amount.

Other Non-Operating Income

Other Items of Income not connected directly with the operation of the Group are disclosed under "Other Non Operational Income" under the head "Other Income" depending on certainty of accrual / realization of the same.

3.16 Earnings Per Share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares.

3.17 Dividends

Any dividend declared by Chemcrux Enterprises Limited is based on the profits available for distribution as reported in the statutory financial statements of Chemcrux Enterprises Limited (standalone) prepared in accordance with Generally Accepted Accounting Principles in India or Indian GAAP or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of Chemcrux Enterprises Limited (Standalone) prepared in accordance with Generally Accepted Accounting Principles in India, or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act.

However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these financial statements may not be fully distributable.

3.18 Cash Flow Statement

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

3.19 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the assets are substantially ready for their intended

use. The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised in the year in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.20 Segment Reporting

With respect (Ind AS - 108 Segment Reporting), the Management of the Group is of the view that the products offered by the Group 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 business of manufacturing and processing of Bulk Drug Intermediates and its related products belong to one business segment only.

3.21 Government grants

Government grants are recognised at its fair value, where there is a reasonable assurance that such grants will be received and compliance with the conditions attached therewith have been met.

Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received. Grants received less amounts credited to the statement of profit and loss at the reporting date are included in the balance sheet as deferred income.

3.22 Goods and Services Tax

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.

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.

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, as applicable, the GST liability is worked out after offsetting the credit available against the GST collected and balance is reflected as an Asset or Liability.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

4 PROPERTY, PLANT & EQUIPMENT AND TANGIBLE ASSETS:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK
		As at 1st April, 2023	Additions During the year	Adjustment / Deduction during the year	As at 31st March, 2024	Upto 1st April, 2023	Change for the year	Adjustment /Deduction During the year	Upto 31st March, 2024	As at 31st March, 2024
	Tangible Assets									
1	Land	201.31	-	-	201.31	-	-	-	-	201.31
2	Factory Building	1,236.99	228.58	-	1,465.57	136.07	44.67	-	180.73	1,284.84
3	Office Premises	6.67	-	-	6.67	6.22	-	-	6.22	0.45
4	Furniture & Fixtures	33.84	1.43	-	35.28	11.25	3.00	-	14.25	21.03
5	Computer	22.36	3.61	-	25.98	18.78	2.30	-	21.08	4.90
6	Motor Car	76.94	-	-	76.94	20.19	9.16	-	29.35	47.60
7	Office Equipment	35.29	0.87	-	36.16	18.99	4.26	-	23.25	12.90
8	Plant & Machinery	2,457.77	118.74	139.00	2,437.51	736.67	152.70	12.16	877.21	1,560.31
9	Pollution Control System	89.32	-	-	89.32	39.82	-	-	39.82	49.51
	Total	4,160.51	353.24	139.00	4,374.75	987.99	216.07	12.16	1,191.90	3,182.84
Sl. No.	Particulars	As at 1st April, 2022	Additions During the year	Adjustment / Deduction during the year	As at 31st March, 2023	Upto 1st April, 2022	Change for the year	Adjustment /Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
	Tangible Assets									
1	Land	201.31	-	-	201.31	-	-	-	-	201.31
2	Factory Building	866.16	370.83	-	1,236.99	102.53	33.23	(0.30)	136.07	1,100.92
3	Office Premises	6.67	-	-	6.67	6.22	-	-	6.22	0.45
4	Furniture & Fixtures	31.77	2.08	-	33.84	8.39	2.86	-	11.25	22.59
5	Computer	19.89	2.48	-	22.36	17.02	1.76	-	18.78	3.58
6	Motor Car	68.22	17.54	8.82	76.94	17.96	8.04	5.81	20.19	56.76
7	Office Equipment	23.62	11.67	-	35.29	15.86	3.13	-	18.99	16.29
8	Plant & Machinery	1,791.11	680.71	14.05	2,457.77	607.98	136.05	7.36	736.67	1,721.10
9	Pollution Control System	86.00	-	(3.32)	89.32	36.44	5.87	2.50	39.82	49.51
	Total	3,094.74	1,085.30	19.54	4,160.51	812.41	190.95	15.37	987.99	3,172.52

* The company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Intangible assets recognised as of April 1, 2021 (transition date) measured as per the previous GAAP and use that carrying value.

5 CAPITAL WORK IN PROGRESS:

(In Lakhs)

	Particulars	As at 31st March, 2024	As at 31st March, 2023
1	<u>Projects Work In Progress</u>		
	Opening Balance	30.52	-
	Add: Addition	2,075.27	30.52
	Less: Capitalised During the year	-	-
	Closing Balance	2,105.78	30.52
2	<u>Projects Temporarily Suspended</u>		
	Opening Balance	-	-
	Add: Addition	-	-
	Less: Capitalised During the year	-	-
	Closing Balance	-	-
	Total	2,105.78	30.52

5.1 Capital work in progress includes borrowing cost of Rs 123.27 Lakhs (PY Nil)

6 INVESTMENT PROPERTY:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK
		As at 1 st April, 2023	Additions During the Year	Adjustment / Deduction during the Year	As at 31st March, 2024	As at 1 st April, 2023	For the year	Adjustment / Deduction During the year	Upto 31st March, 2024	As at 31st March, 2024
1	Office Premises at GIFT City, Gandhinagar	67.78	-	-	67.78	-	-	-	-	67.78
		67.78	-	-	67.78	-	-	-	-	67.78
	Particulars	As at 1 st April, 2022	Additions During the Year	Adjustment / Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	For the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
		67.78	-	-	67.78	-	-	-	-	67.78
		67.78	-	-	67.78	-	-	-	-	67.78

7 RIGHT OF USE ASSETS:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK
		As at 1 st April, 2023	Additions During the Year	Adjustment / Deduction during the Year	As at 31st March, 2024	As at 1 st April, 2023	For the year	Adjustment / Deduction During the year	Upto 31st March, 2024	As at 31st March, 2024
1	Office Building	123.43	-	-	123.43	54.51	12.34	-	66.86	56.57
		123.43	-	-	123.43	54.51	12.34	-	66.86	56.57
	Particulars	As at 1 st April, 2022	Additions During the Year	Adjustment / Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	For the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
		123.43	-	-	123.43	42.17	12.34	-	54.51	68.91
		123.43	-	-	123.43	42.17	12.34	-	54.51	68.91

8 OTHER INTANGIBLE ASSETS:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK
		As at 1 st April, 2023	Additions During the Year	Adjustment / Deduction during the Year	As at 31st March, 2024	As at 1 st April, 2023	For the year	Adjustment / Deduction During the year	Upto 31st March, 2024	As at 31st March, 2024
1	Computer Software	5.88	-	-	5.88	4.23	0.11	-	4.34	1.54
		5.88	-	-	5.88	4.23	0.11	-	4.34	1.54
	Particulars	As at 1 st April, 2022	Additions During the Year	Adjustment / Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	For the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
		4.78	1.10	-	5.88	3.81	0.43	-	4.23	1.65
		4.78	1.10	-	5.88	3.81	0.43	-	4.23	1.65

9 INVESTMENTS:

(In Lakhs)

Particulars	Face Value	As at 31st March, 2024		As at 31st March, 2023	
		Units	Rs.	Units	Rs.
Non-Current					
Investment in Equity Instruments (At Carrying Cost)					
In Joint Venture (Un-quoted)					
Kalichem Private Limited	10	5,000	0.50	5,000	0.50
(Fully paid up equity share of 10 each)					
Proportion of Ownership/Voting Rights					
March 31, 2024 - 50%					
March 31, 2023 - 50%					
Add/(Less):Share of Profit/(Loss) from Joint Venture			-		-
Carrying Cost of Investment (Equity Method)			0.50		0.50
In Others (Un-quoted) (At Cost)					
Narmada Clean Tech Ltd	10	36,703	3.67	36,703	3.67
(Previously known as Bharuch Eco-Acqua Inf. Ltd)					
Ankleshwar Research & Analytical Infrastructure Ltd.	10	10,000	1.00	10,000	1.00
Total			5.17		5.17

Aggregate amount of Quoted Investment & Market Value thereof Nil (PY: Nil)

Aggregate value of Unquoted Investment is Rs 5.17 Lakhs (PY: Rs 5.17 Lakhs)

Aggregate amount of Impairment in value of Investment is Nil (PY: Nil)

Particulars	Face Value	As at 31st March, 2024		As at 31st March, 2023	
		Units	Rs.	Units	Rs.
Current					
Investment in Mutual Funds (At fair value through OCI)					
Quoted , Non Trade					
UTI Money Market Fund		69,696	1,977.41	63,513	1,673.47
Total			1,977.41		1,673.47

Aggregate amount of Quoted Investment & Market Value thereof: Rs 1977.41 Lakhs (PY Rs 1673.47 Lakhs)

Aggregate value of Unquoted Investment Nil (PY Nil)

Aggregate amount of Impairment in value of Investment is Nil (PY: Nil)

10 LOANS:

(In Lakhs)

Particulars			As at 31st March, 2024	As at 31st March, 2023
Unsecured - Considered Good				
Loans To Related Party			350.00	280.00
Joint Venture - Kalichem Private Limited				
(A moratorium is in place on both interest payments and principal repayment until the end of fiscal year when commercial production starts. In next two years, only interest payments will be made. The principal will then be repaid over five annual installments, with interest payments continuing during this period.)				
Other Loans			-	-
			350.00	280.00

**11 OTHER FINANCIAL ASSETS - NON CURRENT
(UNSECURED, CONSIDERED GOOD):**

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Security deposits			187.63	163.41
	Bank Deposits with maturity above 12 month			-	-
				187.63	163.41

**12 OTHER NON-CURRENT ASSETS
(UNSECURED, CONSIDERED GOOD):**

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Capital Advances			-	-
	Excess of Fair Value of Plan Assets over Present value of Gratuity Obligation			-	11.55
				-	11.55

13 INVENTORIES:

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Raw materials			216.74	205.43
	Stores and Spares			3.40	2.93
	Work-in-progress			227.95	425.79
	Finished goods			392.97	774.92
				841.06	1,409.07
	(At cost or net realizable value whichever is lower, unless otherwise stated)				
	Refer Note 3.13 for details of valuation.				

14 TRADE RECEIVABLES – CURRENT:

(In Lakhs)

Particulars			As at 31st March, 2024	As at 31st March, 2023
<u>Unsecured, considered good</u>				
Due from Related Parties			-	-
Due from Others			1,529.98	1,343.92
Total Trade Receivables			1,529.98	1,343.92
TRADE RECEIVABLES AGEING SCHEDULE				
<u>Undisputed Trade Receivables, considered good</u>				
- less than 6 months			1,494.78	1,306.86
- 6 months to 1 year			34.98	31.47
- 1 year to 2 years			0.12	3.24
- 2 year to 3 years			0.10	0.03
- More than 3 years			0.00	2.31
Total			1,529.98	1,343.92
<u>Undisputed Trade Receivables, which have significant increase in credit risk and Credit Impaired</u>				
- not yet due			-	-
- less than 6 months			-	-
- 6 months to 1 year			-	-
- 1 year to 2 years			-	-
- 2 year to 3 years			-	-
- More than 3 years			-	-
Total			-	-
<u>Disputed Trade Receivables, considered good</u>				
- not yet due			-	-
- less than 6 months			-	-
- 6 months to 1 year			-	-
- 1 year to 2 years			-	-
- 2 year to 3 years			-	-
- More than 3 years			-	-
Total			-	-
<u>Disputed Trade Receivables, which have significant increase in credit risk and Credit Impaired</u>				
- not yet due			-	-
- less than 6 months			-	-
- 6 months to 1 year			-	-
- 1 year to 2 years			-	-
- 2 year to 3 years			-	-
- More than 3 years			-	-
Total			-	-
Total			1,529.98	1,343.92

15 CASH AND CASH EQUIVALENTS:

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Balances with Banks				
	- In Current Accounts			4.63	115.85
	- Balances held in Unpaid Dividend Accounts			0.46	0.37
	Cash on hand			2.46	2.51
				7.56	118.73

16 OTHER BANK BALANCES:

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Other Bank Balances				
	- Deposits held as Margin Money			10.68	10.68
	- Other Fixed Deposits with Bank (Less than 12 Months Maturity)			500.00	580.00
				510.68	590.68

17 LOANS:

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Unsecured - Considered Good				
	Loans to Staff			23.02	15.33
				23.02	15.33

18 OTHER FINANCIAL ASSETS – CURRENT:

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	Unsecured - Considered Good				
	Earnest Money Deposit and Others			-	-
	Accrued Interest Income			2.24	1.31
				2.24	1.31

19 OTHER CURRENT ASSETS:

(In Lakhs)

Particulars				As at 31st March, 2024	As at 31st March, 2023
	(Unsecured, considered good)				
	- Advances to Suppliers			4.89	289.69
	- Prepaid Expenses			23.63	15.03
	- Balances with Government Authorities			53.70	38.39
	- Other Advances			55.20	24.73
				137.42	367.83

20 EQUITY SHARE CAPITAL:

(No. of shares in actual and amount In Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Amount	No. of shares	Amount
(a) Authorised				
Equity shares of par value Rs 10/- each	1,50,00,000	1,500.00	1,50,00,000	1,500.00
	1,50,00,000	1,500.00	1,50,00,000	1,500.00
(b) Issued, subscribed and fully paid up				
Equity shares of par value Rs 10/- each at the beginning of the year	1,48,08,840	1,480.88	1,48,08,840	1,480.88
Changes during the year	-	-	-	-
At the end of the year	1,48,08,840	1,480.88	1,48,08,840	1,480.88

(No. of shares in actual and amount In Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Amount	No. of shares	Amount
(c) Reconciliation of Number of Shares				
Shares at the beginning of the year	1,48,08,840	1,480.88	1,48,08,840	1,480.88
Add: Bonus Shares issued	-	-	-	-
Shares at the close of the year	1,48,08,840	1,480.88	1,48,08,840	1,480.88

(d) The Company has not issued any shares for a consideration other than cash during the period of five years immediately preceding the reporting date except 98,72,560 Equity Share of Rs. 10/- each allotted as fully paid-up Bonus Shares in the ratio of 2:1 by Capitalisation of Security Premium and balance out of the Free Reserve being Surplus in the Statement of Profit & Loss during FY 2021-22.

(e) The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The holders of Equity Shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) SHAREHOLDING OF PROMOTERS:

(No. of shares in actual)

Name of shareholder	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares held	% of holding	No. of shares held	% of holding
Promoters:				
Girish C Shah	53,99,240	36.46	54,00,240	36.47
Sanjay Y Marathe	53,99,740	36.46	54,00,240	36.47
Change During the Year		% of Change		% of Change
Girish C Shah		-0.01		-
Sanjay Y Marathe		#		-
# Less than 0.01%				

(g) SHARES HELD BY SHAREHOLDERS EACH HOLDING MORE THAN 5% OF THE SHARES IN THE COMPANY:

(No. of shares in actual)

Name of shareholder	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares held	% of holding	No. of shares held	% of holding
Girish C Shah	53,99,240	36.46%	54,00,240	36.47%
Sanjay Y Marathe	53,99,740	36.46%	54,00,240	36.47%
Change During the Year		% of Change		% of Change
Girish C Shah		-0.01		-
Sanjay Y Marathe		#		-
# Less than 0.01%				

21 OTHER EQUITY:

(In Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
(a) Retained earnings				
Balance as per Last Account	5,121.79		3,982.14	
Add : Surplus as per Statement of Profit and Loss	844.43		1,435.83	
Amount available for appropriation	5,966.22		5,417.97	
Less : Appropriations:				
Dividend on Equity Shares	296.18		296.18	
Utilized for issuance of Bonus Shares	-		-	
Transfer to General Reserve	-		-	
Balance at the end of the year		5,670.04		5,121.79
(b) Securities Premium Reserve				
Balance as per last account	-		-	
Add: Securities Premium received during the year	-		-	
Less: Utilised For issuance of Bonus Shares	-		-	
Balance at the end of the year		-		-
(c) Other Comprehensive Income (OCI)				
Balance as per Last Account	37.91		5.32	
Add: Other comprehensive income for the year	66.27		32.59	
Less: Re-Classified to Statement of Profit and Loss for the Year	29.25		-	
Balance at the end of the year		74.93		37.91
Total other equity		5,744.97		5,159.70

22 NON-CURRENT FINANCIAL LIABILITY:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
Long Term Borrowings			
Secured Loans			
Term Loan From Bank		2,152.68	1,025.64
(Repayable in 84 monthly instalments from March, 23 having moratorium period of 13 month during which only interest payable and from April, 24 both interest and principal payable.)			
From NBFC		-	-
		2,152.68	1,025.64
Unsecured Loans			
Loan from Directors		-	-
		-	-
Total		2,152.68	1,025.64

Balances of Term Loans from Kotak Mahindra Bank Ltd include:

Term Loans from Kotak Mahindra Bank were secured against all existing and future receivables, current assets and movable property plant and equipments. Rate of Interest is RPRR 6.50% (as per latest sanction) + 2.75% (spread) i.e. 9.25%. The Group Company has been given a 13-month moratorium. Only interest will be paid during the moratorium period and principal will begin in March 2024.

The above facilities were 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.

23 LEASE LIABILITIES:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	NON CURRENT		
	Lease Liability Payable beyond 12 months	77.24	90.59
	CURRENT		
	Lease Liability Payable within 12 months	13.35	10.57
	Total Lease Liabilities	90.59	101.16
	The Movement in Lease liabilities is as follows:		
	Balance as at beginning of the year	101.16	109.33
	Add: Addition		
	Accretion of interest	7.73	8.47
	Less: Payments	18.30	16.64
	Closing balance as at 31st March	90.59	101.16

24 OTHER FINANCIAL LIABILITIES:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	NON CURRENT	-	-
	Total Non Current Other Financial Liabilities	-	-
	CURRENT		
	Unpaid Dividends	0.28	0.19
	Security Deposits	-	-
		0.28	0.19

25 PROVISIONS:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	NON CURRENT		
	Provision for Employee Benefits:		
	- Provision for Gratuity	17.56	-
	Total Non Current Provisions	17.56	
	CURRENT		
	Provision for Employee Benefits:		
	- Provision for Leave Encashment	-	-
	- Provision for Others	-	-
	Total Current Provisions	17.56	

(Refer note no. 51)

26 DEFERRED TAX ASSETS/LIABILITY (NET):

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Deferred Tax Asset	21.42	-
	Deferred Tax Liabilities	239.28	180.77
		217.86	180.77

Deferred tax (asset)/liabilities in relation to:

(In Lakhs)

Particulars		As at 31.03.2024	As at 31.03.2023
Opening balance			
	Loss allowances on trade receivables (Expected Credit Loss)	-	-
	Non deductible expenses for tax purpose	-	-
	Property, plant and equipment	180.77	127.91
	Investments carried at FVTPL		
	Total	180.77	127.91
Recognised in Profit or loss			
	Loss allowances on trade receivables (Expected Credit Loss)	-	-
	Non deductible expenses for tax purpose	(12.98)	-
	Property, plant and equipment	24.87	52.87
	Investments carried at FVTPL	-	-
	Total	11.89	52.87
Recognised in Other comprehensive income			
	Investments carried at FVTOCI	33.64	-
	Remeasurement of Defined benefit plans (OCI)	-	-
	Fair Value Gain/Loss on Defined Benefit Plan	(8.44)	
	Total	25.20	-
Closing balance		217.86	180.77
	Loss allowances on trade receivables (Expected Credit Loss)	-	-
	Non deductible expenses for tax purpose	(12.98)	-
	Property, plant and equipment	205.64	180.77
	Investments carried at FVTOCI	33.64	-
	Fair Value Gain/Loss on Defined Benefit Plan	(8.44)	-

27 SHORT - TERM BORROWINGS:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	SECURED		
	From Bank		
	Cash Credit Facility (Loan Repayable on Demand)	1.85	301.24
	Current Maturities of Long Term Debts (Principal due in 12 Months)		
	Kotak Mahindra Prime Ltd Car Loan	-	14.65
	Plant & Machinery Term Loan-Kotak Bank	308.57	-
	Civil Construction Term Loan-Kotak Bank	91.54	-
		401.96	315.89

The Group Company has obtained sanction of Cash Credit Limits of Rs 500 Lacs against First and Exclusive Charges on all existing and future current assets. The Facilities are further secured by way of mortgage of immovable property of the Company as a Collateral as well as personal guarantees of the two directors i.e. Girish Shah and Sanjay Marathe. The applicable Rate of Interest is RPRR 6.50% (as per latest sanction) + 2.75% (spread) i.e. 9.25%.

28 TRADE PAYABLES – CURRENT:

(In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<u>Total outstanding dues of creditors</u>		
Due to Micro and Small Creditors	304.94	390.00
Due to Other Creditors	397.84	413.23
	702.78	803.23
Sundry Creditors are as per books and have not been corroborated by circulation / confirmation of balances.		
<i>TRADE PAYABLES AGEING SCHEDULE(Outstanding for following periods from due date of payment)</i>		
<u>Micro and small enterprises</u>		
- less than 1 year	304.94	390.00
- 1 year to 2 years	-	-
- 2 year to 3 years	-	-
- More than 3 years	-	-
	304.94	390.00
<u>OTHERS</u>		
- less than 1 year	397.84	413.23
- 1 year to 2 years	-	-
- 2 year to 3 years	-	-
- More than 3 years	-	-
	397.84	413.23

NOTE: Refer Note No.52 for Dues to Micro and Small Enterprises

Dues to Micro and Small Enterprises:

With reference to amounts shown as payable to Micro, Small and Medium Enterprises, the information has been compiled in respect of parties to the extent they could be identified as Micro, Small and Medium Enterprises on the basis of information collected and available with the Company and same has been relied upon by the auditors. The Company deals with various Micro Small and Medium Enterprises on mutually accepted terms and conditions.

29 OTHER CURRENT LIABILITIES:

(In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance's from Customers	0.06	-
Statutory Liabilities	24.06	16.82
Others Current Liabilities	137.48	113.59
	161.60	130.41

30 CURRENT TAX LIABILITIES (NET):

(In Lakhs)

Current Tax Liabilities (Net)			
Particulars		As at 31st March, 2024	As at 31st March, 2023
	Provision for Current Taxation (Net of Advance Tax)	15.52	123.98
		15.52	123.98

31 REVENUE FROM OPERATIONS:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Sale Of Goods		
	- Domestic Sales	4,296.74	6,183.33
	- Export Sales	1,437.79	1,893.37
	Other Operating Revenues		
	- Job Work	2,112.00	1,438.54
	Total	7,846.53	9,515.24

32 OTHER INCOME:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	<u>Interest Income</u>		
	Fixed Deposits With Banks	1.01	0.59
	Income tax Refunds	-	2.40
	Interest On Advances	2.82	5.32
	Interest on Deposits	35.34	20.49
	<u>Dividend Income</u>	-	-
	Net Gain on Sale of Investments	34.38	37.99
	Duty Drawback / Advance License /MEIS License	25.68	11.74
	Exchange rate difference	21.27	19.16
	<u>Other Non- Operating Income</u>	-	-
	Profit On Sales Of Asset	-	1.68
	Miscellaneous Income	13.04	5.84
	Total	133.54	105.21

33 COST OF MATERIAL CONSUMED:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Raw Material		
	Balance as per last account	205.43	417.86
	Add: Purchases during the year	2,512.36	4,369.04
	Less: Balance at the end of the year	216.74	205.43
	TOTAL (A)	2,501.06	4,581.47
	Packing Material Consumed	32.19	29.86
	TOTAL (B)	32.19	29.86
	Total Consumption (A+B+C)	2,533.25	4,611.32

34 PURCHASE OF STOCK IN TRADE:

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Purchases	-	-
		-	-

35 CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS & STOCK-IN-TRADE:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	(Increase)/ Decrease in Stocks		
	Stock at the end of the Year:		
	Finished Goods	392.97	774.92
	Work In Progress	227.95	425.79
	TOTAL(A)	620.92	1,200.71
	Less: Stock at the Beginning of the year:		
	Finished Goods	774.92	522.17
	Work In Progress	425.79	214.15
	TOTAL(B)	1,200.71	736.31
	TOTAL (B-A)	579.79	(464.40)

36 EMPLOYEE BENEFIT EXPENSES:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Salaries, Wages and Bonus & other allowances	809.91	686.88
	Contributions to Provident Fund and Other Funds	32.93	32.18
	Gratuity Expenses	7.22	(2.27)
	Staff Welfare Expenses	32.86	74.54
	Total	882.91	791.33

37 FINANCE COSTS:

(In Lakhs)

Particulars		As at 31st March, 2024	As at 31st March, 2023
	Interest Expenses on Borrowings	56.97	37.00
	Bank Charges & Other Borrowing Cost	12.65	17.17
	Finance Charges on Lease Liability	7.73	8.47
	Discount Charges	5.90	19.20
	Total	83.24	81.84

38 OTHER EXPENSES:

(In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Consumable Stores and Spares Consumed	105.82	152.16
Power and Fuel	727.35	665.62
Labour Charges	169.77	121.41
Freight Inward, Octroi & Transportation	116.85	59.57
Other Factory Expense	781.69	798.50
Repairs & Maintenance: Building	-	24.80
Repairs & Maintenance: Plant & Machinery	132.38	204.63
Office & General Administration Expenses	16.28	14.44
Rent, Rates and Taxes	10.90	6.61
Insurance	61.16	49.21
Legal and Professional Fees	70.12	68.26
Security charges	37.03	28.43
Prior Period Expense	10.56	-
Sundry Balance Written Off (Net)	1.45	-
Payments to Auditors (Please refer note 47)	1.50	1.00
Travelling Expense	9.88	13.36
Commission & Brokerage	5.40	5.90
Donation	10.89	0.31
Vehicle Exp	9.11	7.78
Freight Outward & Custom Charges for Exports	193.48	166.43
Advertisement Exp	6.25	5.28
Loss on sale of Asset	16.84	-
CSR Activity	34.51	30.93
GPCB Penalty	-	7.20
Total	2,529.21	2,431.84

39 OTHER COMPREHENSIVE INCOME:

(In Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Items that will not be reclassified to profit or loss		
Defined Benefit Plan on Gratuity	(45.09)	11.79
Income tax relating to items that will not be reclassified to profit or loss	(11.35)	2.97
(ii) Items that will be reclassified to profit or loss		
Fair Value Gain on Investments	133.65	31.76
Less: Income tax relating to items that will not be reclassified to profit or loss	33.64	7.99
Total	66.27	32.59

40 DISCLOSURE REQUIRED BY SECTION 186(4) OF THE COMPANIES ACT, 2013:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Details of Loan Given to Kalichem Private Limited (A 50:50 Joint Venture of Chemcrux Enterprises Limited and Kalintis Healthcare Private Limited)	350.00	280.00
Total	350.00	280.00

41 Trade Payables and Trade Receivables are as per books and have been corroborated by circulation / confirmation of balances / reconciliation of accounts in case of few major parties. Confirmations of other parties concerned, for the amount receivable / due to them as per accounts of the company, are under process and any reconciliation and adjustments required, will be made thereupon.

42 In the opinion of the Board, the Current Assets, Loans and Advances which are considered good are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business. Further, in the opinion of the Board, provision of all known liabilities has been adequately made in the accounts.

43 The Group Company has used the borrowing from Bank for the specific purpose for which it was taken at Balance sheet date.

44 CONTINGENT LIABILITIES AND COMMITMENTS:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Contingent Liabilities		
Claims against the Group Company not acknowledged as debt Guarantees (Bank Guarantee)	750.00	750.00
Total	750.00	750.00
Commitments		
Estimated amounts of contracts remaining to be executed on capital account and not provided for	700.00	2,000.00
Uncalled liability on shares or investments partly paid		
Other Commitments		
Total	700.00	2,000.00

45 LEASES:

The Group Company has entered into lease arrangements for Vadodara Office Premises that are renewable on a periodic basis with approval of both lessor and lessee.

Lease liabilities are presented in the statement of financial position as follows

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Current	13.35	10.57
Non Current	77.24	90.59

Future Minimum Lease Payments are as follow

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Within 1 Year	13.35	10.57
1-5 Year	77.24	74.51
More than 5 Year	-	16.07

The following are amounts recognised in profit or loss:

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Depreciation expense of right-of-use assets	12.34	12.34
Interest expense on lease liabilities	7.73	8.47
	-	-

46 DIRECTOR'S REMUNERATION:

Directors' remuneration paid during the year is in accordance with the approval of the Shareholders sanctioned to the Company under Section 197 of the Companies Act, 2013 for giving the Remuneration above the limits prescribed by Section 197 read with Section II of Part-II of Schedule V of the Companies Act, 2013. The amounts paid includes the following:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Remuneration	240.00	168.00
Performance Bonus	67.20	67.20
Total	307.20	235.20

47 AUDITORS REMUNERATION:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Audit Fees	1.00	1.00
In other Capacity	0.50	0.50
Total	1.50	1.50

48 INCOME TAX EXPENSE:

The major component of Income Tax expenses for the year ended March 31, 2024 and March 31, 2023 are as under:

Tax Expense reported in the Statement of Profit and Loss

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Current income tax		
Current income tax	285.00	476.26
Adjustment for previous year taxes	1.83	(0.15)
Total current income tax	286.83	476.11
Deferred tax		
Relating to origination and reversal of temporary differences	11.89	52.87
Tax Expense reported in the Statement of Profit and Loss	298.72	528.98
Tax on Other Comprehensive Income		
Deferred tax related to items recognised in OCI during the year	22.29	10.96
Total tax expense	321.01	539.94

Balance Sheet Section

Particulars		Year Ended	
		March 31, 2024	March 31, 2023
Current Tax Liabilities (Net of Advance Tax)		15.52	123.98
Deferred Tax Liabilities		217.86	180.77

Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023

Particulars		Year Ended	
		March 31, 2024	March 31, 2023
Accounting profit before tax		1,143.15	1,964.80
Income tax expense @25.17%		287.73	494.54
Tax effect of the amounts which are not deductible / (taxable) in calculating taxable income		(6.19)	(37.22)
Effect of origination and reversal of deferred tax		11.89	52.87
Income tax relating to earlier years		1.83	(0.15)
Other		3.46	18.93
Tax expense as per Statement of Profit and Loss		298.72	528.98
Effective tax rate		26.13%	26.92%

49 RELATED PARTY TRANSACTIONS:

The Company has identified all the related parties having transactions during the year in line with Indian Accounting Standard (Ind AS)- 24. Details of the same are as under:

List of Related Parties

Name of Related Party	Nature of Relationship
Mr. Sanjay Y Marathe	Managing Director
Mr. Girishkumar C Shah	Chairman & Wholetime Director
Mrs. Neela Marathe	Relative of Managing Director (Non-Executive Director till 04.08.2023)
Mrs. Sidhdhi G Shah	Relative of Chairman & Whole Time Director (Non- Executive Director w.e.f. 04.08.2023)
Mr. Mukund Bakshi	Independent Director
Mr. Shailesh Patel	Independent Director
Mr. Bhanubhai Patel	Independent Director
Mr. Krutarth Parikh	CFO till 13.09.2023
Mr. Ramesh Kambariya	CFO from 08.12.2023
Mrs. Dipika Rajpal	CS
Dr Prem's Molecules Private Ltd	Enterprise over which Key Management Personnel have significant influence
Kalichem Private Limited	Joint Venture
Payal Girish Shah	Relative of Chairman & Wholetime Director
Nikita Swapnil Marathe	Relative of Managing Director
Swapnil Sanjay Marathe	Relative of Managing Director

Transactions with Related Parties

(In Lakhs)

Name of Related Party		Nature of Transaction	During The Year	
			March 31, 2024	March 31, 2023
Mr. Sanjay Y Marathe		Remuneration	120.00	84.00
		Bonus	33.60	33.60
		Dividend	108.00	108.00
Mr. Girishkumar C Shah		Remuneration	120.00	84.00
		Bonus	33.60	33.60
		Dividend	107.99	108.00
Mrs. Neela Marathe		Rent Paid	9.15	8.32
		Sitting Fees	0.15	0.45
		Dividend*	0.00	0.00
Mrs. Sidhdhi G Shah		Rent Paid	9.15	8.32
		Sitting Fees	0.15	-
		Dividend*	0.00	0.00
Mr. Bhanubhai Patel		Sitting Fees	0.70	0.35
Mr. Mukund Bakshi		Sitting Fees	0.40	0.50
Mr. Shailesh Patel		Sitting Fees	0.35	0.55
Mr. Krutarth Parikh		Salary	2.71	5.77
		Dividend*	0.00	0.00
Mr. Ramesh Kambariya		Salary	2.82	-
Mrs. Dipika Rajpal		Salary	4.41	4.32
		Dividend*	0.00	0.00
Dr Prem's Molecules Private Ltd		-	-	-
Kalichem Private Limited		Loan Given	70.00	155.00
		Interest Income	31.12	17.04
		Sales	-	20.00
Payal Girish Shah		Dividend*	0.00	0.00
Nikita Swapnil Marathe		Dividend	0.06	0.12
Swapnil Sanjay Marathe		Dividend*	0.00	0.00

Note for Dividend*: Where zero is reflected, amount is less than Rs. 1000.

Related Party Balance Outstanding at the end of the year	Nature of Transaction	Year Ended	
		March 31, 2024	March 31, 2023
Mr. Sanjay Y Marathe	Balance Outstanding	6.60	4.50
Mr. Girishkumar C Shah	Balance Outstanding	6.60	4.50
Mrs. Neela Marathe	Balance Outstanding	-	-
Mrs. Sidhdhi G Shah	Balance Outstanding	-	-
Mr. Bhanubhai Patel	Balance Outstanding	-	-
Mr. Mukund Bakshi	Balance Outstanding	-	-
Mr. Shailesh Patel	Balance Outstanding	-	-
Mr. Krutarth Parikh	Balance Outstanding	-	-
Mr. Ramesh Kambariya	Balance Outstanding	0.52	-
Mrs. Dipika Rajpal	Balance Outstanding	0.37	-
Dr Prem's Molecules Private Ltd	Balance Outstanding	-	-
Kalichem Private Limited	Balance Outstanding (Principal Amount of Loan)	350.00	280.00
Kalichem Private Limited	Balance Outstanding (Interest on Loan)	46.41	18.41

50 EARNINGS PER SHARE:

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (In Lakhs)	844.43	1,435.83
Weighted Average number of equity shares used as denominator for calculating EPS (In Lakhs)	148.09	148.09
Basic and Diluted Earnings per share (In Rs.)	5.70	9.70
Face Value per equity share (In Rs.)	10.00	10.00

51 EMPLOYEE BENEFIT:

Provident Fund dues amounting to Rs 30.29 Lakhs (p.y Rs. 28.70 Lakhs) paid during the year/period being defined contributions have been charged to the Statement of Profit and Loss.

Leave Encashment, though a defined benefit obligation, falls under short-term compensated absences in terms of the policy of the Company. The value of obligation towards entitlement of employees accumulating earned leave and eligibility of compensation or encashment of the same is determined on the basis of the expected amount required to be paid as a result of actual unused entitlement standing to the credit of the employees as at end of the year based on current salary standards. Accordingly, a sum of Rs. 2.63 Lakhs (P.y. 3.48 Lakhs) has been determined as obligation as at the year/period end and charged to the Statement of Profit and Loss.

The Group 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 20 lakhs. 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.

(In Lakhs)		
Method Used	Projected Unit Credit Method	
Actuarial Assumptions Used	LIC (1994-96)	
Discount Rate	7.25%	
Expected Return on Plan Assets	8.00%	
Salary Escalation Rate	7.00%	
Major Categories of Plan Assets	Insurer Managed Funds – 100%	
	31st, March 2024	31st, March 2023
Change in Present Value of Defined Benefit Obligation		
Present Value of Obligations as at the beginning of the Year	166.88	170.55
Interest Cost	12.10	12.51
Current Service Cost	8.59	9.23
Benefits Paid	(16.02)	(13.64)
Actuarial (gains) / losses on obligation	45.09	(11.79)
Present Value of Obligations as at the end of the Year	216.64	166.88
Change in Fair Value of Plan Assets		
Fair Value of Plan Assets as at the beginning of the Year	178.42	179.48
Expected Return on Plan Assets	13.46	12.23
Contributions	23.20	0.35
Benefits Paid	(16.02)	(13.64)
Actuarial (gains) / losses on Plan Assets	-	-
Fair Value of Plan Assets as at the end of the Year	199.07	178.42
Defined Benefit Obligation as recognized in Balance Sheet		
Present Value of Obligations as at the Year end	216.64	166.88
Unrecognised Past Service Cost	-	-
Fair Value of Plan Assets as at the Year end	199.07	178.42
Net (Asset) / Liability recognized in Balance Sheet	17.57	(11.54)
Net Gratuity Benefit Expenditure Recognised in P&L Account		
Current Service Cost	8.59	9.23
Interest Cost	12.10	12.51
Expected Return on Plan Assets	(13.46)	(12.23)
Net Actuarial (Gain) / Loss Recognised in the Year	45.09	(11.79)
Net Expense Recognised in Statement of Profit & loss	52.31	(2.26)

The estimates of rate escalation in salary is considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2023-24.

The plan typically exposes the Company to actuarial risks such as: interest rate risk, liquidity risk, salary escalation risk and regulatory risk.

Interest Rate Risk:

The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:

This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs (e.g. Increase in the maximum limit on gratuity of Rs. 20 Lakhs)

52 DUES TO MICRO & SMALL ENTERPRISES:

The dues to Micro & Small Enterprises as required under the Micro, Small and Medium Enterprise Development Act, 2006 to the extent information available with the company is given below:

Dues to Micro and Small Enterprises	(In Lakhs)	
	Year Ended	
	March 31, 2024	March 31, 2023
a) The principal amount remaining unpaid to any supplier at the end of the year	304.94	390.00
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of the deductible expenditure under section 23 of the MSMED Act, 2006	-	-
Total	304.94	390.00

The Group 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.

53 ADDITIONAL REGULATORY INFORMATION:

- i. There are no immovable properties (other than properties where the Company is a lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Group Company.
- ii. The Group Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- iii. The Group Company has not granted any Loans or Advances in the nature of loans to Promoters, Directors, KMPs and Related Parties either severally or jointly with other persons that are repayable on demand or without specifying any terms or period of repayment.
- iv. The Capital Work-in-Progress ageing schedule for the year ended on March 31, 2024 and March 31, 2023 is as follows:

(In Lakhs)

CWIP	Amount in CWIP for a period of		Year Ended	
			March 31, 2024	March 31, 2023
Less than 1 Year			2,075.27	30.52
1-2 Years			30.52	-
2-3 Years			-	-
More than 3 Years			-	-
Total			2,105.78	30.52

As on date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

- v. The Group Company did not have and Intangible Assets under Development as at the end of the year.
- vi. The Group Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- vii. The Group Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- viii. The Group Company has not entered into any transactions with Struck-off Companies.
- ix. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period or otherwise.
- x. The Group Company has a direct investment in Joint Venture which does not have any further downstream investment. Hence, it is in compliance with the number of layers prescribed under Section 2 (87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017.
- xi. There was no Scheme of Arrangements during the year.
- xii. The Group Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- xiii. The Group Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- xiv. The Group Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

xv. The Group Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

54 The Group Company has been sanctioned Working Capital Limits of Rs 500 Lakhs which are inter-alia against security of current assets. The Company has filed the Statements of Current Assets on monthly basis. Quarterly statement of current assets submitted by company with Banks are in agreement with books of accounts.

55 There are no amounts pending to be transferred to the Investors Education and Protection Fund as at the end of the year.

56 IMPAIRMENT OF ASSETS:

In absence of any indications, external or internal, as to any probable impairment of assets, no provision has been made for same during the year under report.

57 INTEREST IN JOINT VENTURE:

Name of Joint Venture	Share
Kalichem Private Limited	50.00%

Summarised financial information in respect of the Group's, material joint venture is set out below:

The summarized financial information below represents amounts shown in joint venture financial statements prepared in accordance with the local GAAP.

Financial Information of Joint Ventures as at

(In Lakhs)

Particulars			Kalichem Private Limited	
			31-03-2024	31-03-2023
Current Assets			135.44	723.42
Non-Current Assets			1,803.97	16.23
Current Liabilities			(199.20)	(27.74)
Non-Current Liabilities			(1,739.20)	(710.91)
Equity			1.00	1.00
Proportion of the Group's ownership interest			50.00%	50.00%
Carrying amount of the Group's Interest			0.50	0.50
Other Information				
Total Revenue			-	-
Total Expenses			-	-
Profit/(Loss) for the year			-	-
Other Comprehensive Income for the year			-	-
Total Comprehensive Income for the year			-	-

Commercial production has not yet commenced, so there are no transactions in the profit and loss account.

Disclosure of additional information pertaining to the Joint venture.

Name of the Entity	Net Asset i.e. total assets minus total liabilities		Share in Profit or loss		Share in Other Comprehensive income		Share in Total Comprehensive income	
	As % of Consolidated net Asset	Amount	As % of Consolidated profit/(Loss)	Amount	As % of Consolidated net Asset	Amount	As % of Consolidated profit/(Loss)	Amount
Parent								
Chemcrux Enterprises Limited	100.00%	7,225.85	100.00%	844.43	100.00%	66.27	100.00%	910.70
Joint Venture (Investment as per Equity Method)								
Kalichem Private Limited	0.01%	0.50	-	-	-	-	-	-
Adjustment arising out of Consolidation	-0.01%	(0.50)	-	-	-	-	-	-
Total	100.00%	7,225.85	100.00%	844.43	100.00%	66.27	100.00%	910.70

58 CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

(In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Gross Amount Required to be spent by the Group Company during the year (as per the provisions of S. 135 of the Companies Act, 2013 read with rules thereon)	34.43	30.82
Amount of Expenditure Incurred	34.51	30.93
Shortfall, if any, at the end of the year	-	-
Total of Previous Years Shortfall	-	-
Reason for Shortfall	NA	NA
Details of Related Party Transactions in CSR	None	None
Provision Made for CSR and Movements therein	None	None

Nature of CSR Activities:

Name of the Project	Item from the list of activities in schedule VII to the Act	Year Ended	
		March 31, 2024	March 31, 2023
Provided training Equipment's (bicycle and gears) to National Level Player	Item II Promoting Sports	1.75	-
Contributed in development of Science college facility to Ankleshwar Environmental Preservation Society	Item II Promoting Education	10.00	-
Supported for Education of Children of S R Rotary Institute of Chemical Technology through Ankleshwar Rotary Education Society	Item II Promoting Education	6.00	-
Contributed in development of Sports Complex facility through Ankleshwar Industrial Development Society	Item II Promoting Sports	7.00	-
Contributed for Hearse Vehicle (funeral vehicle) and biers through Shri Hari Seva Trust	Item I Promoting preventive health care	3.10	-
Provided support to purchase Healthcare Equipment's in Muni Seva Ashram	Item I Promoting preventive health care	6.66	-
Total		34.51	30.93

59 CAPITAL MANAGEMENT:

For the purpose of the Group Company's Capital Management, Capital includes issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Group Company's Capital Management is to maximise the shareholders' value. The Group Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Company is monitoring Capital using debt equity ratio as its base, which is total debt divided by total equity.

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Gross Debt (Long Term and Short Term Borrowings) (A)	2,554.64	1,341.53
Total Equity (B)	7,225.85	6,640.58
Net Debt to Equity Ratio (A/B)	0.35	0.20

60 FINANCIAL INSTRUMENTS DISCLOSURES:

This section gives an overview of the significance of financial instruments for the Group Company and provides additional information on balance sheet items that contain financial instruments

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3.10 to the financial statements

A. Classification of Financial Assets and Liabilities:

(In Lakhs)

Particulars			March 31, 2024	March 31, 2023
Financial assets				
Measured fair value through Other Comprehensive Income				
Investment in Mutual Funds			1,977.41	1,673.47
Measured at Amortized Cost				
Investment in Equity Instrument (At Cost)			5.17	5.17
Cash and Cash Equivalent			7.56	118.73
Other Bank Balances			510.68	590.68
Trade Receivables			1,529.98	1,343.92
Loans			373.02	295.33
Other Financial assets			189.87	164.72
			-	-
Financial liabilities				
Measured at Amortized Cost				
Trade Payables			702.78	803.23
Borrowings			2,554.64	1,341.53
Lease Liabilities			90.59	101.16
Other Financial Liabilities			0.28	0.19

B. Fair Value Measurement

This note provides information about how the Group Company determines fair values of various financial assets.

Some of the Group Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

Financial Assets at fair value through Other Comprehensive Income.

(In Lakhs)

Particulars	As At	Fair Value		
		Level 1	Level 2	Level 3
Financial assets				
Measured fair value through Other Comprehensive Income				
Investment in Mutual Fund	March 31, 2024	1,977.41		
Financial assets				
Measured fair value through Other Comprehensive Income				
Investment in Mutual Fund	March 31, 2023	1,673.47		

Valuation technique and key input: NAV declared by respective Asset Management Companies.

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There have been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2024 and year March 31, 2023.

61 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The Group company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group Company's operations. The Group Company's principal financial assets include trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Group Company's financial risk management is an internal part of how to plan and execute its business strategies. The Group Company is exposed to market risk, credit risk and liquidity risk.

The Group Company senior management oversees the management of these risks. The senior Professionals working to manage the financial risks and the appropriate financial risk governance framework for the company are accountable to the Board of Directors and Audit Committee. This process provided assurance the Group Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objectives. In the event of crises caused due to external factors such as caused by recent pandemic "COVID 19" the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure there is enough liquidity in these situations through internal and external source of funds. These forecast and assumptions are reviewed by board of directors.

1. Risk Management Framework

The Company's board of directors has overall responsibility for establishment and Oversight of the company's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the Mechanism of property defined framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

2. Credit Risk

Credit risk is the risk of financial loss to the Group Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic and export market. The management impact analysis shows credit risk and impact assessment as low.

The Group Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. The company management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the Directors of the company. Most of the Company's customers have been transacting with the company for over Five to Ten years against those customers. In monitoring customer credit risk, Customers are reviewed according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry and existence of previous financial difficulties. The company has not written off any amount in recent past for impairment in receivables. In view of the same no provision for impairment is done in current financial year. Management uses practical experience for deriving expected credit losses based on historical credit loss experience & adjustment for forward looking assumptions. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, trade receivables and loans and advances.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

3. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2024:

(In Lakhs)

Particulars	Carrying Amount	Upto 1 Year	1-5 Years	More than 5 Years
Borrowings (including current maturities)	2,554.64	401.96	1,600.42	552.26
Trade Payables	702.78	702.78	-	-
Lease Liabilities	90.59	13.35	77.24	-
Other Financial Liabilities	0.28	0.28	-	-

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2023:

(In Lakhs)

Particulars	Carrying Amount	Upto 1 Year	1-5 Years	More than 5 Years
Borrowings (including current maturities)	1,341.53	315.89	703.29	322.34
Trade Payables	803.23	803.23	-	-
Lease Liabilities	101.16	10.57	74.51	16.07
Other Financial Liabilities	0.19	0.19	-	-

4. Market Risk

Market risk is the risk that changes in market prices- such as foreign exchange rates, interest rates and equity prices- will affect the Company's income or the value of its holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The major components of market risk are foreign currency risk, interest rate risk and price risk.

(i) Interest Rate Risk

It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

(ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Sundry Debtors	501.96	30.08
Sundry Creditors	108.41	189.87
Total	501.96	30.08

The Group Company has not entered in any Forward Contract to hedge above foreign exposure and there are no outstanding Forward Contracts are at the end of the year.

Foreign Currency Sensitivity

The Group Company is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR, EURO-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

Particulars	(In Lakhs)	
	Year Ended	
	March 31, 2024	March 31, 2023
Assets:		
Weakening of INR by 5%	25.10	1.50
Strengthening of INR by 5%	(25.10)	(1.50)
Liabilities		
Weakening of INR by 5%	(5.42)	(9.49)
Strengthening of INR by 5%	5.42	9.49

(iii) Price Risk

The Group Company has deployed its surplus funds into units of mutual fund. The Company is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in liquidity and credit quality of underlying securities.

NAV price sensitivity analysis

The Sensitivity analyses below have been determined based on the exposure to NAV price risks at the end of the reporting period. If NAV prices had been 1% higher/lower:

Profit for the year ended 31st March 2024 would increase/decrease by Rs. 19.77 Lakhs (Previous Year Rs. 16.73 Lakhs).

62 DIVIDENDS:

(In Lakhs)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Equity Shares		
Final Dividend of Rs 2 per each 1,48,08,840 equity share	296.18	
Final Dividend of Rs 2 per each 1,48,08,840 equity share		296.18

The Board of Directors of the Company in its meeting held on May 06, 2024 has approved and recommended final dividend of Re. 1/- i.e. (10%) per equity share of the Company having face value of Rs 10/- each for the financial year 2023-2024, subject to approval from shareholders.

63 BORROWING COST:

During the year, the Group Company capitalized borrowing costs amounting to Rs 123.27 Lakhs (PY Nil).

64 SEGMENT REPORTING:

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.

65 KEY FINANCIAL RATIOS:

Ratio	Numerator	Denominator	Mar-24	Mar-23	% Variance	Reason for variance
(a) Current ratio (times)	Total Current Assets	Total Current Liabilities	3.88	3.99	-2.65%	-
(b) Debt-equity ratio (times)	Short Term Borrowing + Long Term Borrowing	Total Equity	0.35	0.20	75.00%	The increase in the ratio is due to an increase in long term borrowings.
(c) Debt service coverage ratio (times)	Profit Before Interest and Tax	Total Debts Service (Interest + Finance Lease Payment + Principal Repayment)	0.42	1.13	-62.47%	The decrease in the ratio is due to an increase in the borrowing cost.
(d) Return on equity ratio (percentage)	Net Profit after Tax	Total Equity	12.18%	23.72%	-48.64%	Decrease in ratio due to decrease in net profit
(e) Inventory turnover ratio (times)	Net Sales	Average Inventory	6.97	7.42	-5.95%	-
(f) Trade receivables turnover ratio (times)	Net Sales	Average Trade Receivables	5.46	5.89	-7.27%	-
(g) Trade payables turnover ratio (times)	Net Purchases	Average Trade Payable	3.34	4.45	-25.05%	The decrease in the ratio is due to an increase in average trade payable.
(h) Net Working capital turnover ratio (times)	Net Sales	Working Capital	3.75	4.13	-9.14%	-
(i) Net profit ratio (percentage)	Net Profit	Sales	10.76%	15.09%	-28.68%	Decrease in ratio due to decrease in net profit
(j) Return on capital employed (percentage)	Earnings Before Interest and Tax	Capital Employed	11.82%	21.57%	-45.18%	Decrease in ratio due to decrease in earning before interest and tax
(k) Return on investment (percentage)	Profit After Tax	Total Assets	7.69%	15.40%	-50.10%	Decrease in ratio due to decrease in net profit

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

67 The Consolidated financial Statements for the year ended 31 March 2024 were approved by the Board of Directors in their meeting held on 06th May 2024.

For Naresh & Co
Chartered Accountants
FRN: 106928W

Sd/-
CA Harin Parikh
Partner
Membership No: 107606
UDIN: 24107606BKAOPY4671

Place: Vadodara
Dated: 06.05.2024

For and on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291

Sd/-
Ramesh Kambariya

CFO
Place: Vadodara

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388

Sd/-
Dipika Rajpal

CS
Dated: 06.05.2024

Reg. Off.:

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

