



CRESTCHEM LIMITED

Corporate Office:303B, Central Business Space, Opp: Fortune Land Mark Hotel, Opp: HDFC Bank, Near Usamanpura Cross Road, Ashram Road, Ahmedabad-380013. Phone: +91-9409119484, Email: info@crestchemlimited.in
GST Number : 24AAACC8722C1Z5, CIN NO. L24100GJ1991PLC015530 WEBSITE: www.crestchemlimited.in

Ref: crestchem/BSE/ Regulation 34/Annual Report 2022-23

29/07/2023

E-filing

To,
The Department of Corporate Services
The BSE Ltd.,
Ground Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001

Dear Sir,

Sub: Annual Report of the Company (2022-23)

Ref: Regulation 34 of SEBI (LODR) Regulations, 2015

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we are submitting herewith the Annual Report of the company along with notice of AGM for the financial year 2022-23.

THANKING YOU,

Yours Faithfully,

For, and on behalf of Crestchem Limited

Khyati Vyas
Company Secretary
A25742



Crestchem Limited

CIN : L24100GJ1991PLC015530



31st Annual Report 2022-23

CRESTCHEM LIMITED
CIN - L24100GJ1991PLC015530
THIRTY FIRST ANNUAL REPORT
2022-2023

BOARD OF DIRECTORS	Shri Dipak Narendraprasad Patel - Chairman and Promoter, Managing Director (DIN – 02052080)
	Shri Nitinkumar Shantilal Shah - Non Executive & Independent Director (DIN – 00027351)
	Shri Rajesh I. Mody - Non Executive & Independent Director (DIN – 02054117)
	Smt. Binaben Parasbhai Patel - Non Executive & Independent Director (DIN – 07131005) (Women Director)
	Shri Manojkumar Babubhai Patel - Non- Executive & Independent Director (DIN – 09555373)
	Shri Nimit Dipak Patel - Additional Director (w.e.f. 17/07/2023) (DIN – 10239263)
	Khyati Vyas - Company Secretary, Compliance officer & CFO

BANKERS	BANK OF INDIA BHUIJ MERCANTILE CO-OP. BANK STATE BANK OF INDIA INDUSIND BANK
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AUDITORS	M/s. Samir M. Shah & Associates Chartered Accountants Ahmedabad.
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CORPORATE OFFICE	330B Central Business Space, Opp. Fortune Landmark Hotel, Opp. HDFC Bank, Near Usmanpura Cross Road, Ahmedabad -380013, 079- 46008164/ 09023018979
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FACTORY AND REGISTERED OFFICE	Sr. No. 550/1, Sub Plot Number 12, Village Indrad, Taluka – Kadi, District – Mehsana, Pin Code – 382 715 PHONE NUMBER 02764-278247 /09409119484 EMAIL ID info@crestchemlimited.in WEBSITE www.crestchemlimited.in
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SHARE TRANSFER REGISTRAR	LINK INTIME INDIA PRIVATE LIMITED 506-508, Amarnath Business Centre-1 (ABC-1), Besides Gala Business Centre Near ST Xavier's College Corner, Off C G Road , Ellisebridge Ahmedabad - 380006 Telefax No. : 91-79 - 26465179/86/87 Email: ahmedabad@linkintime.co.in
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NOTICE

NOTICE is hereby given that the 31st (Thirty First) Annual General Meeting (AGM) of **Crestchem Limited** will be held on Thursday, August 24, 2023 at 12.15 p.m. (Noon) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023 and the Reports of the Board of Directors and Auditors thereto.

SPECIAL BUSINESS:

2. **ADOPTION OF NEW SET OF MEMORANDUM OF ASSOCIATION OF THE COMPANY**

To consider and, if thought fit, to pass with or without

modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with the Memorandum of Association of the Company and subject to such other approvals, permission and consents as may be required, the new set of Memorandum of Association be and is here adopted in place of existing Memorandum of Association of the Company subject to approval of members.”

“**RESOLVED FURTHER THAT Shri Dipak N. Patel, Managing Director and or any other Director of the Company** be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this foregoing resolution including filing of all the necessary e- forms with the office of Registrar of Companies, Gujarat at Ahmedabad” and any other statutory compliances thereof.”

3. **ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY**

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

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013, (statutory modification(s) or re-enactment thereof, for the time being in force), the new draft Articles as contained in the Articles of Association submitted to this meeting containing updation required to align the Articles in accordance with provisions of Companies Act, 2013 and Table F be and are hereby approved and adopted in substitution, and to entire exclusion of the regulations contained in the existing Articles of Association of the Company subject to approval of members.”

“**RESOLVED FURTHER THAT Shri Dipak N. Patel, Managing Director and or any other Director of the Company** be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this foregoing resolution including filing of all the necessary e- forms with the office of Registrar of Companies, Gujarat at Ahmedabad” and any other statutory compliances thereof.”

4. **KEEPING OF STATUTORY REGISTERS, RETURNS AT A PLACE OTHER THAN REGISTERED OFFICE**

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

“**RESOLVED THAT** pursuant to section 94 of the Companies Act, 2013 read Rule 5 of the Companies (Management and Administration) Rules, 2014 and other applicable provisions, if

any, and subject to the approval of shareholders in general meeting and subject to such other consent, permission, approval as may be required, approval of the Board of Directors be and is hereby accorded to Company to keep registers, returns and records as specified under section 88 & 92 and other permitted records under Companies Act, 2013 at Company’s Corporate office at 303B Central Business Space, Opp. Fortune Land Mark Hotel, Opp. HDFC Bank. Near Usmanpura Cross Road, Ashram Road, Ahmedabad – 380013, a place other than the registered office of the Company.”

RESOLVED FURTHER THAT the Register of Members in respect of shares held in or to be held in electronic mode will be kept at the place of Registrar and Share Transfer Agent appointed or to be appointed by the Company.”

5. **REAPPOINTMENT OF SHRI NITINKUMAR SHANTILAL SHAH (DIN: 00027351) AS AN INDEPENDENT DIRECTOR FOR A FURTHER PERIOD OF FIVE YEARS.**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 and other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Rules made there under read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of Shri Nitinkumar Shantilal Shah (holding DIN 00027351), who satisfies the criteria of independence as specified in the Act and the Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received notices in writing under Section 160 of the Act from members proposing his candidature for the office of Independent Director, consent of member be and is hereby accorded for re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years commencing 01/10/2023 to 30/09/2028”.

6. **TO APPROVE PAYMENT OF REMUNERATION OF SHRI NITINKUMAR SHANTILAL SHAH (DIN: 00027351) AS NON-EXECUTIVE DIRECTOR IN THE CATEGORY OF PROFESSIONAL DIRECTOR EXCEEDING FIFTY PER CENT OF THE TOTAL REMUNERATION/COMPENSATION/FEES PAYABLE TO ALL OTHER NON-EXECUTIVE DIRECTOR OF THE COMPANY FOR TWO AND HALF YEAR (01/10/2023 TO 31/03/2026).**

To consider and, if thought fit, to pass, the following Resolution, with or without modification, as a Special Resolution:

“**RESOLVED THAT** pursuant to Regulation 17(6)(ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment, modification, variation or re-enactment thereof for the time being in force and other applicable provisions, if any, of the Companies Act, 2013 the consent of the members be and is hereby accorded for the remuneration/compensation/fees payable to Shri Nitinkumar Shantilal Shah as a Professional Director for Two And Half Year (01/10/2023 To 31/03/2026), which may be exceeding fifty per cent of the total remuneration paid to all other Non-Executive Directors of the Company for the said period.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters as may be deemed necessary and expedient in this regard.”

7. TO REGULARISE THE APPOINTMENT SHRI NIRMIT DIPAK PATEL (DIN:10239263) AS ADDITIONAL DIRECTOR UNDER SECTION 160 OF THE COMPANIES ACT, 2013

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

“RESOLVED THAT in accordance with the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Articles of Association of the Company and the recommendations of the Nomination and Remuneration Committee (if applicable), Shri. Nirmitt Dipak Patel (DIN:10239263), who was appointed as an Additional Director of the Company with effect from July 17,2023 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 (1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and things as may be necessary, proper, or expedient to give effect to this resolution.”

8. TO APPROVE PAYMENT OF REMUNERATION OF SHRI NIRMIT DIPAK PATEL (DIN:10239263) AS AN EXECUTIVE DIRECTOR OF THE COMPANY FOR A TERM OF TWO AND HALF YEARS (01/10/2023 TO 31/03/2026):

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

“RESOLVED THAT pursuant to the provisions of sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Schedule V (as amended from time to time) to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded for appointment of Shri Nirmitt Dipak Patel (**DIN: 10239263**) as an Executive Director of the Company for period of two and half year years with effect from 01/10/2023 till 31/03/2026 at a remuneration as detailed below:

Salary: Salary shall not be less than Rs. 80,000/- (Rupees Eighty thousand only) per month (Rs. 9,60,000/- per annum) and the said salary is inclusive of all perquisites, if any, except foreign travel for business purpose with wife and minor child, may progressively go up based on his performance and Industry trends to Rs. 1,50,000/- per month (Rs.18,00,000/- per annum) notwithstanding the limits provided under section 196, 197 and all other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and Regulation 17(6) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution the Board be and is hereby authorized any director to do all such acts, deeds, matters and things as may be considered to be necessary, expedient, usual or desirable in this regard to implement this resolution.”

By Order of the Board of Directors
For & on behalf of Crestchem Limited

Sd/-

Khyati Vyas
Company Secretary
ACS-25742

Place : Ahmedabad
Date : 17/07/2023

IMPORTANT COMMUNICATION TO MEMBERS:

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.

KYC COMPLIANCE: ATTENTION OF PHYSICAL SHAREHOLDERS

Form ISR-1, ISR-2, ISR-3, SH-13, SH-14 for KYC Compliance who have not complied with. **Please note that September 30, 2023 is the last date thereafter all pending Non KYC compliant Physical Shares will be transferred to Investor Education and Protection Fund (IEPF), New Delhi.**

SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, and clarification vides Circular No. SEBI/HO/MIRSD/MIRSD-RTAMB/P/CIR/2021/687 dated December 14, 2021 issued by SEBI read with SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023

In Compliance of Various Circulars of the SEBI, Crestchem Limited had made special synergetic efforts to compliment the efforts of our RTA, by our company, for the benefit of the Shareholders of the company to update KYC of shareholders and special assignment was given to “the experienced and having expertise in this matter, to the Independent Director Shri Nitin S. Shah” in the interest of Shareholders, to send all KYC Compliance Forms and Prepaid Envelope for the Conveniences to all the shareholders, and further company has sent their representative for door to door Campaigns to update KYC of esteemed shareholders. Again company has sent them Registered Post AD for Compliance of KYC up dation. A simplified procedure for loss of share certificate to save environment using less printing paper in this digital era, and also to be investor friendly, the board suggested to create pdf link for advertisement of loss share certificate, and this pdf link shall be put in newspaper for advertisement of loss of share certificates. In this way SEBI compliance has been fulfilled along with using digital platform to save environment wedded with cost cutting of respective shareholders, whose share certificates are lost.

NOTES :

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the Businesses under Item no. 2 to 8 of the accompanying notice is annexed hereto. The relevant details of the Persons seeking appointment / re-appointment as Director are also annexed to this Notice.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, August 17, 2023 to Thursday, August 24, 2023 (both days inclusive).
3. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, May 05, 2022 & December 28, 2022 (collectively referred to as “MCA Circulars”) has allowed to hold Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue.
4. In line with the aforesaid MCA circulars and SEBI Circulars, the Notice of AGM along with Annual Report for the year 2022-23 is being sent only through electronic mode to those members whose email IDs are registered with the company/depository participant(s). Member may note that Notice and Annual Report 2022-23 has been uploaded on the website of the Company at www.crestchemlimited.in. Notice can also be accessed from

- the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.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. Corporate members are encouraged to attend the AGM through their authorized representatives. They are requested to send by email, a certified copy of the Board resolution/ authorisation letter authorizing their representatives to attend and vote on their behalf in the Meeting. The said resolution / authorisation letter shall be sent to the scrutinizer by email through its registered email address to scrutinizer: info@crestchemlimited.in with a copy marked to helpdesk.evoting@cdslindia.com.
 7. Since the AGM is being held through VC /OAVM in accordance with the aforesaid circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the proxy form and attendance slip are not annexed to this notice. However, the body corporate are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-Voting.
 8. The members holding shares in physical form are requested to intimate any change of address and / or bank mandate to Link Intime India Pvt. Ltd, Mumbai or Secretarial Department of the Company immediately. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
 9. The register of directors and key managerial personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
 10. The members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 members on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.
 11. The members attending the AGM through VC/OVAM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 12. The members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at info@crestchemlimited.in from Monday, August 14, 2023 (9:00 a.m. IST) to Thursday August 17, 2023 (5:00 p.m. IST). Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 13. The members may also send their query in writing through info@crestchemlimited.in on or before Thursday, August 17, 2023, which would be replied by the Chairman at the time of the meeting. For this purpose, it would not be necessary to register as speaker.
 14. The members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the company on or before Monday, August 14, 2023 to Thursday, August 17, 2023 through email on info@crestchemlimited.in. The same will be replied by the company suitably.
 15. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, August 17, 2023 to Thursday, August 24, 2023 (both days inclusive).
 16. The members are requested to note that SEBI, vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September, 2020, has fixed March 31, 2021 as the cut-off date for re-lodgment of physical share transfer requests and has stipulated that such transferred shares shall be issued only in demat mode.
 17. SEBI has made it mandatory for all Companies to use the bank account details furnished by the depositories and the bank account details maintained by the RTA for payment of dividend to members electronically. The company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/ Real Time Gross Settlement (RTGS)/ Direct Credit/ IMPS/ NEFT etc.
 18. As per Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, and clarification vide Circular No. SEBI/HO/MIRSD/MIRSD-RTAMB/P/CIR/2021/687 dated December 14, 2021 issued by SEBI, on Common and Simplified Norms for processing Investor's Service Request by RTAs. SEBI vide these Circulars have mandated the furnishing of PAN, Address with PIN code, Email address, Mobile No., Bank Account details, Specimen Signature & Nomination by holders of physical securities and that from January 1, 2022, RTAs shall not process any service requests or complaints received from the holder(s)/ claimant(s), till PAN, KYC and Nomination documents/details etc. are received. The Company has sent reminders to the physical holders whose mandatory details are yet to be updated. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023 As an on-going measure to enhance the ease of doing business for investors in the securities market, SEBI, vide Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 03, 2021 & SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/687 dated December 14, 2021, had prescribed the common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination.
 19. The folios wherein any one of the cited document / details is not available on or after October 01, 2023, shall be frozen by the RTA. The RTA shall revert the frozen folios to normal status upon, a) receipt of all the aforesaid documents / details mentioned as above or b) dematerialization of all the securities in such folios. Members holding shares in physical form shall submit mandatory details to Company's Registrar & Share Transfer Agent or to the Company Secretary at the registered office of the Company. Requisite forms are also available on website of the Company www.crestchemlimited.in and website of RTA <https://linkintime.co.in/>. Members are requested to notify immediately:
 - (a) Any change in their residential address.
 - (b) Income-tax Permanent Account Number (PAN).
 - (c) Bank details – Name and address of the bank; A/c No.; type of A/c
 - (d) Nomination Details
 - (e) Email ID & Mobile Number
 - (f) Specimen Signature
- Non-Resident Indian Shareholders are requested to inform the Company immediately:
- (i) The change in the Residential Status on return to India for permanent settlement;

- (ii) The particulars of NRE Bank Account maintained in India with complete name and address of the bank if not furnished earlier.

The company will not entertain any direct request from members for deletion/change in the bank account details furnished by depository participants to the company.

20. The members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar and Share Transfer Agent, for consolidation into a single folio. The share certificates will be returned to the members after making requisite changes thereon.
The relevant formats for Nomination and Updation of KYC details viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and SEBI circular are available on Company website as well as the website of Link Intime India Pvt. Ltd., original cancelled cheque leaf bearing the name of the first holder failing which first security holder is required to submit copy of bank passbook / statement attested by the bank which is mandatory for registering the new bank details.
21. As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in demat form; the nomination form may be filed with the respective depository participant.
22. In order to smoothen the KYC procedure members holding shares in physical form are requested to submit particulars of their bank accounts along with the original cancelled cheque bearing the name of the member to RTA/ company to update their bank account details and their correct bank account number, including 9 Digit MICR Code and 11 digit IFSC Code, e-mail ID and Mobile No(s). Members holding shares in physical form may communicate these details to the RTA viz. Link-Intime India Private Limited having address at Link Intime India Private Limited 506-508, Amarnath Business Centre-1, (ABC-1), Besides Gala Business Centre, Near ST Xavier's College Corner, Off C G Road, Ellisbridge, Ahmadabad - 380006. by quoting the reference folio number and attaching photocopy of the cheque leaf of their active bank account and a self-attested copy of their Permanent Account Number ('PAN') card and Adhar card.
This will facilitate the KYC up dation as directed by SEBI up dation of e-mail IDs and Mobile No(s) will enable the Company in sending communication
23. The company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the members.
24. The members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Company's RTA in case the shares are held by them in physical form. Members attention is also invited to SEBI's circular no SEBI/HO/MIRSD/0081/CIR/P/2018/73 dated 20th April, 2018, pursuant to which the Company has written to shareholders requesting them to furnish details regarding their PAN as also their bank details for payment of dividend, if any, through electronic mode. Those shareholders who are yet to respond to the Company's request in this regard are once again requested to take action in the matter at the earliest.
25. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned depository participant ('DP') and holdings should be verified from time to time.
26. As per the provision of Section 72 of the Act, facility for making nomination(s) is available to Individuals holding shares in the company. Members holding shares in single name are advised to make a nomination in respect of their shareholding in the company. Members holding shares in physical form should file their nomination with the company or RTA, whilst those Members holding shares in demat mode should file their nomination with their depository participant. The nomination form can be downloaded from the company's website www.crestchemlimited.in or can be obtained by writing mail to the info@crestchemlimited.in
27. The members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the company or company's RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes.
28. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the company will be entitled to vote at the AGM.
29. In compliance with the afore said MCA Circulars, SEBI Circulars and other provisions of the Act, the notice of the AGM along with the Annual Report for the Financial Year 2022-23 are being sent only through electronic mode to those members whose e-mail addresses are registered with the DPs or the company/RTA, unless the members have requested for a physical copy of the same. Members may note that the notice of the AGM and the Annual Report for the Financial Year 2022-23 will also be available on the company's website at www.crestchemlimited.in, websites of the Stock Exchanges, i.e. BSE Limited at www.bseindia.com. and on the website of RTA at <https://www.linkintime.co.in/>.
30. To support the 'Green Initiative', members who have not yet registered their email address are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.
31. The company's statutory auditors, M/s Samir M Shah & Associates, were appointed as statutory auditors of the Company for a period of five (5) consecutive years at the 25th AGM held on 10th August, 2017, on the remuneration to be determined by the Board of Directors. Pursuant to the Companies (Amendment) Act, 2017, effective from 7th May, 2018, and again reappointed on 30th AGM held on 25/08/2022 as statutory auditors of the company for a period of five (5) consecutive years, on the remuneration to be determined by the board of directors. Pursuant to the Companies (Amendment) Act so it is no longer necessary to seek the ratification of the shareholders for continuance of the above appointment. Hence, the company is not seeking the ratification of the shareholders for the appointment of the statutory auditors.
32. The members may please note that SEBI has made PAN as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases: Deletion of name of the deceased shareholder(s); Transmission of shares to the legal heir(s); and Transposition of shares.

Instructions for e-voting and attending the AGM through VC/OAVM are annexed to this Notice.

THE INSTRUCTIONS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOING MEETING THROUGH VC/OAVM ARE AS UNDER.

- i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the aforesaid MCA Circulars and SEBI Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the Authorised e-Voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-Voting as well as e-Voting system on the date of the AGM will be provided by CDSL.
- ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e August 16, 2023, shall be entitled to avail the facility of remote e-Voting as well as e-Voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. August 16, 2023, shall be entitled to exercise his/her vote either electronically i.e. remote e-Voting or e-Voting system on the date of the AGM by following the procedure mentioned in this part.
- iv. The remote e-Voting will commence on, Monday August 21, 2023 9.00a.m. And till end on Wednesday, August 23, 2023 at 5.00 p.m. During this period, the Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast vote again.
- v. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- vi. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date.
- vii. The Company has appointed CA Purvi Jignesh Shah Practicing Chartered Accountants (Membership No. A-Membership no. 120180 COP 146112w, to act as the Scrutinizer for conducting the remote e-Voting process as well as the e-Voting on the date of the AGM, in a fair and transparent manner. viii. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

ANNEXURE 1 TO THE NOTICE

Particulars of Directors seeking appointment/re –appointment Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2 (SS-2)

Particulars	Name of the Director	Name of the Director
1. Name of Director & DIN No	Nitinkumar Shantilal Shah (DIN No:00027351)	Nirmit Dipak Patel (DIN No.: 10239263)
2. Date of Birth & Age	15-10-1961 & 62 Years	29-05-1980 & 43 Years
3. Qualification- Expertise in functional areas	B.com, LLB, ACS, He is having more than 32 Years working experience as a Company Secretary and corporate law.	D. Chemical Eng, T. Eng (Mech. Eng.), C. Elect. Eng., and also holds business management qualification (BBA), having expertise in Techno Commercial aspects in the field of chemical and Industrial products & services
4. List of Companies in which Outside directorship held	NIL	NIL
5. Chairman/Member of the Committees of Board of Director	1. Audit Committee 2. Nomination & Remuneration Committee 3. Stakeholders Relationship Committee	N.A.
6. Chairman /Member of the Committees of other companies in which he is Director	NIL	N.A.

By Order of the Board of Directors
For & on behalf of Crestchem Limited

Sd/-

Khyati Vyas
Company Secretary
ACS-25742

Place : Ahmedabad
Date : 17/07/2023

CDSL e-Voting System – For e-voting and Joining Virtual meetings. EVSN : 230724008

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/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 EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020,, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.crestchemlimited.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020

and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on < 21/08/2023 9.00 a.m. > and ends on 23/08/2023 and 5.00 p.m. . During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 16/08/2023 of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 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 cdsi 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 with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
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. 1800225533
Individual Shareholders holding securities in Demat mode with NSDL 1800 22 44 30	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company /RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant < Crestchem Limited > on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz;info@crestchemlimited.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Shri Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33

By Order of the Board of Directors
For & on behalf of Crestchem Limited

Sd/-

Khyati Vyas
Company Secretary
ACS-25742

Place : Indrad (Kadi)
Date : 17/07/2023

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item no. 2-8 of the accompanying notice.

2. ADOPTION OF NEW SET OF MEMORANDUM OF ASSOCIATION OF THE COMPANY

The existing memorandum of association of the company were based on the Companies Act, 1956 and several clauses in the existing memorandum of association contain references to specific sections of the Companies Act, 1956 and some regulations in the existing memorandum of association are no longer in conformity with the New Companies Act, 2013.

Therefore, it is proposed to replace the existing memorandum of association to bring the same in conformity with the new Companies Act, 2013. Accordingly, consent of the shareholders is being sought in terms of Section 13 of the Companies Act, 2013.

None of the directors and key managerial personnel and their relatives is any way concerned or interested, financially or otherwise, in the resolution.

The board of directors recommends the resolution as set out at Item No. 2 for approval of the members as Special Resolution.

3. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY

The articles of association of the company as currently in force were originally adopted when the company was incorporated under the Companies Act, 1956. The Companies Act, 1956, is replaced with the Companies Act, 2013, so the references to specific sections of the Companies Act, 1956 in the existing articles of association may no longer be in conformity with the Companies Act, 2013. Considering that substantive sections of the Companies Act, which deal with the general working of the companies stand notified, your board has proposed to amend the existing articles of association to align it with the provisions of Companies Act, 2013 including the rules framed thereunder and adoption of specific sections from Table "F" to schedule I to the Companies Act, 2013 which sets out the model articles of association for a company limited by shares.

None of the directors and key managerial personnel and their relatives is any way concerned or interested, financially or otherwise, in the resolution.

The board of directors recommends the resolution as set out at Item 3 for approval of the members as Special Resolution.

4. KEEPING OF STATUTORY REGISTERS, RETURNS AT A PLACE OTHER THAN REGISTERED OFFICE

In terms of section 128 (1), 118, 94 of the Companies Act, 2013, terms of Clause 4.1.4 of Secretarial Standard-1 on "Meeting of the Board of Directors" and applicable provisions of the Companies Act, 2013 the company is required to prepare and keep at its registered office books of accounts and papers and financial statement, Secretarial Records, Minutes Books & Register of Members for every financial year. However subject to shareholders' approval by a special resolution, aforesaid books of account and papers and financial statement, Secretarial Records, Minutes Books & Register of Members for every financial year can be kept at place other than registered office of the company. The Board, for operational and administrative convenience, recommends that the books of

accounts papers and financial statement, Secretarial Records, Minutes Books & Register of Members for every financial year be kept at a place other than the registered office of the Company i.e. at Ahmedabad Corporate Office of the company situated at 303B Central Business Space, Opp. Fortune Landmark Hotel, Opp. HDFC Bank, Near Usmanpura Cross Road, Ashram Road, Ahmedabad-380013. The resolution as set out at Item No. 4 is recommended for approval of the members as Special Resolution.

None of the Directors and key managerial personnel of the company and their relatives are concerned and interested, financially or otherwise in the said resolution.

5. TO RE-APPOINTMENT OF SHRI NITINKUMAR SHANTILAL SHAH (DIN – 00027351) AS A NON EXECUTIVE- INDEPENDENT DIRECTOR ON COMPLETION OF FIVE YEARS TERMS AND BEING ELIGIBLE OFFERS HIMSELF FOR REAPPOINTMENT.

As per the provisions of Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with the relevant rules there under, the company has appointed Shri Nitinkumar Shantilal Shah as Independent Director held on the 26th Annual General Meeting held on 29th September, 2018 was appointed as an Independent Director w.e.f. 1st October, 2018. As the above director shall be completing his first term of appointment upon completion of five years from the respective dates of his appointment during the current year, he is eligible for re-appointment for another term of five consecutive years subject to approval of the members by Special Resolution. The continuance of this director as Independent Director requires consent of the members by way of Special Resolution. The director is active and in good health. He has consented to his reappointment and confirmed that he do not suffer from any disqualifications for his re-appointment as Independent Director. The performance evaluation of the Independent Director was conducted by the entire board of directors (excluding the director being evaluated) on the basis of structured parameters. Based on the performance evaluation of the Independent Director, the Nomination and Remuneration Committee and the board of directors of the company have recommended the re-appointment of the aforesaid person as Independent Director for a second term of five consecutive years. During their tenure of appointment, he will not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The company has received declarations from all the Independent Director confirming that they meet the criteria of independence as prescribed under Section 149 of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions for re-appointment as Independent Director and he is independent from the management. The brief profile of Shri Nitinkumar Shantilal Shah is given in the annexure and forms part of this Notice. The company has received notice from members under Section 160 of the Companies Act, 2013 proposing their reappointment as Independent Director. Having regard to the qualifications, knowledge and experience of the director, his continuance on the board of the company will be in the interest of the company.

Therefore, the board recommends the resolutions as set out in Item No. 5 of the Notice for approval of the members as a Special Resolution. None of the directors or key managerial personnel of the company and their relatives other than Shri Nitinkumar Shantilal Shah, Independent Director is in any way deemed to be concerned or interested in the resolution as set out in Item No. 5.

6. PAYMENT OF REMUNERATION OF SHRI NITINKUMAR SHANTILAL SHAH (DIN – 00027351) AS NON-EXECUTIVE DIRECTOR IN THE CATEGORY OF PROFESSIONAL DIRECTOR.

Shri Nitinkumar Shantilal Shah is appointed as non-executive director in the category of professional director with remuneration exceeding fifty per cent of the total remuneration/compensation/fees payable to all other non-executive director of the company, in terms of regulation 17 of the SEBI (listing obligations and disclosure requirements) (amendment) regulations, 2018, listed entity is required to obtain the approval of members of the Company by way of Special Resolution for payment of remuneration to a single non-executive director exceeding 50% of the total remuneration payable to all non-executive directors. Shri Nitinkumar Shantilal Shah is an independent Director of the company and he was holding this position in the company since 2016. He is a qualified and experienced Company Secretary by profession. Shri Nitinkumar Shantilal Shah has vast knowledge in the field of Corporate Laws, Accounts and Finance. During his tenure since 2016, he has given valuable guidance and advice to the company, as an Independent director of the company, In order to take benefit of his vast knowledge and advice, the Board of Directors has appointed him as a Professional Non-Executive Directors for the period of 2.5 years with effect from 01/10/2023 (01/10/2023, to 31/03/2026) Board of Directors wish to inform that an invitation letter was sent to Shri Nitinkumar Shantilal Shah existing director and is qualified company secretary, be invited to take up additional responsibility as executive director or some such suitable position as may be agreed upon by the company and him on or after 01/07/2021 as may be on suitable terms and conditions. The same was informed to BSE vide outcome of Board meeting dated the 01/04/2021. The company had decided to wait till he consents or declines the offer in due course. Subsequently, in the mean time, the company took initiative to increase percentage of dematerialization of shares of the company. Accordingly company had send KYC compliance forms along with prepaid postage envelop to all shareholders holding shares in physical form of the company, and with due experience and knowledge of our Independent director Shri Nitinkumar Shantilal Shah, who had kindly consented to offer his professional services in this regard, in his capacity of officer on special duty (OSD) for the above purpose in the greater interest of the shareholders of the company. Accordingly the above task has already been taken on hand by Shri Nitinkumar Shantilal Shah as one time special synergetic effort on behalf of the company.

He has now consented to accepted the offer given by the company to him to take up additional responsibility as executive director or some such suitable position as referred above. Accordingly he has accepted to take up the position of as non-executive director in the category of professional director.

The Company will pay him consultation fees upon raising invoice on monthly basis which may be mutually decided by the Board and Shri Nitinkumar Shantilal Shah and payment of such consultation fees may be exceeding fifty percent of the total commission/remuneration/compensation payable to all non- executive directors of the company for the period of 2.5 years with effect from 01/10/2023 (01/10/2023, to 31/03/2026), requiring approval of members in terms of aforesaid provision. as contained in Item No. 6 are proposed for the approval of members of the company by way of special resolution. The board recommends the resolution for the approval of members of the company. None of the directors except Shri Nitinkumar Shantilal Shah, Key Managerial Personnel and relatives thereof, are in any way concerned or interested, financially or otherwise, in the said resolution.

7. TO RECOMMEND THE APPOINTMENT SHRI NIRMIT DIPAK PATEL (DIN: 10239263) AS ADDITIONAL DIRECTOR UNDER SECTION 160 OF THE COMPANIES ACT, 2013

Based on the recommendation of the Nomination and Remuneration Committee, Shri Nimit Dipak Patel was appointed as an Additional Director on the Board of the Company with effect from July 17, 2023 as per the Articles of Association of the Company and Section 161 (1) of the Companies Act, 2013. He will hold office as an Additional Director up to the ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, notices have been received from Members of the Company signifying their intention to propose Shri Nimit Dipak Patel as a candidate for the office of the Director of the Company.

The brief profile of Shri Nimit Dipak Patel is given in the annexure and forms part of this Notice. Having regard to his qualifications, knowledge and experience, the appointment of Shri Nimit Dipak Patel as a Director will be in the interest of the Company. The Board recommends the resolution as set out in Item No.7 of the Notice for approval of the members. Except himself, Shri Dipak N. Patel, Chairman & Managing Director and Mrs. Parul D. Patel, Manager (Administration) of the company, none of the other Directors and/or Key Managerial Personnel (KMP) or relatives of other directors and KMP is concerned or interested either financially or otherwise in the Resolution set out in Item No. 7 of the Notice.

Invitation letter was sent to Shri Nimit Dipak Patel who holds qualification in chemical and other engineering fields, and also holds business management qualification, (BBA), was engaged in techno - commercial works on his own. Shri Nimit Dipak Patel is son of Shri Dipak Narendraprasad Patel the promoter managing director of the company, was invited to join the board of the company and induce course to take up responsibility as executive director or some suitable position as may be agreed upon by the company. The same was informed to BSE vide outcome of Board meeting dated the 01/04/2021. The company had decided to wait till he consents or declines the offer in due course on or after 01/07/2021 as may be, on suitable terms and conditions. Subsequently, in the mean time, the company has appointed him as Techno commercial executive w.e.f. 01/04/2022, which was approved in 30th Annual General Meeting held on 25/08/2022. With his deep advanced technical and commercial knowledge and experience, company would get benefited in technical and commercial aspect of the company business. Accordingly the board decided to appoint him as additional director of the company w.e.f. 17/07/2023 He will hold office as an Additional Director up to the ensuing Annual General Meeting. Further the business of the company is progressing well hence the board proposed to appoint Shri Nimit Dipak Patel (**DIN: 10239263**) as an executive director of the company for a term of two and half year (01/10/2023 to 31/03/2026), which will help the company to continue to flourish well by concentrated attention and efforts of Shri Nimit Dipak Patel in his capacity of executive director subject to approval of members of the Company.

8. TO APPROVE PAYMENT OF REMUNERATION OF SHRI NIMIT DIPAK PATEL (DIN: 10239263) AS AN EXECUTIVE DIRECTOR OF THE COMPANY FOR A TERM OF TWO AND HALF YEAR (01/10/2023 TO 31/03/2026):

Shri Nimit Dipak Patel (**DIN: 10239263**) was originally appointed as an Additional Director on July 17, 2023 based on the recommendations of the Nomination & Remuneration Committee, the Board at its meeting held on July 17, 2023 appointed him as an Executive Director of the Company for a term of two and half year from October 01, 2023 (01/10/2023 to 31/03/2026). His appointment as Executive Director required to be approved by the shareholders by passing special resolution under the provisions of section 196, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder at 31st Annual General Meeting. Shri Nimit Dipak Patel is working with the Company as a Techno Commercial Executive (Non KMP) of the company since 01/04/2022 and playing a vital role in development of business strategies and effective implementation of the same. Considering his contribution in the growth of the business and overall business development activities. Shri Nimit Dipak Patel will be now taking up responsibility as Executive director from October 01, 2023. The Board of Directors on the recommendation of Nomination and Remuneration Committee (NRC), has decided to appoint Shri Nimit Dipak Patel as Executive Director of the Company for a period of two and half year from October 01, 2023 (01/10/2023 to 31/03/2026). on remuneration as set out in the resolution proposed under this item 8 of the Notice, at its meeting of board of directors held on July 17, 2023. In this regard, Shareholders' approval is being sought through a special resolution pursuant to Section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, Regulation 17(6)(e) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations") in respect of payment of remuneration to the executive directors. In accordance with Schedule V and other applicable provisions of the Companies Act, 2013, Listing Regulations including Regulation 17(6)(e) and other applicable provisions of Listing Regulations and on the recommendation made by the NRC at its meeting held on July 17, 2023, the Board of Directors of the Company at its meeting held on July 17, 2023, have approved the payment of remuneration to Shri Nimit Dipak Patel comprising of salary and perquisites if any, as per Schedule V of the Companies Act, 2013, for a term of two and half year from October 01, 2023 (01/10/2023 to 31/03/2026), subject to other approvals if any required, in the absence of or inadequacy of profits in any financial year(s) during such period. This Explanatory Statement may also be considered as the requisite abstract under Section 190 of the Companies Act, 2013 setting out the terms and conditions of appointment of Shri Nimit Dipak Patel as an Executive Director of the Company. Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement. Shri Nimit Dipak Patel is not disqualified from being appointed as an Executive Director in terms of Section 164 read with Schedule V of the of the Act and has given his consent to act as an Executive Director of the Company. The Company has also received a declaration to the effect that he is not debarred from holding the office of Directorship by virtue of any SEBI order or any other authority. He also satisfies all the conditions as set out in Section 196(3) of the Act and Part-I of Schedule V to the Act, for being eligible to be appointed. Except himself, Shri Dipak N Patel, Chairman & Managing Director and Mrs. Parul D. Patel, Manager (Administration) of the company, none of the other Directors and/or Key Managerial Personnel (KMP) or relatives of other directors and KMP is concerned or interested either financially or otherwise in the Resolution at item No: 8 of the accompanying Notice. The Board recommends the Special Resolution set out at Item No.8 of the Notice for approval of the Members.

By Order of the Board of Directors
For & on behalf of Crestchem Limited

Sd/-

Khyati Vyas
Company Secretary
ACS-25742

Place : Ahmedabad
Date : 17/07/2023

DIRECTOR'S REPORT

**TO
The Members
Crestchem Limited.**

Your directors have pleasure in presenting the **THIRTY FIRST ANNUAL REPORT** together with the Audited Accounts of the Company for the period of 12 months ended on 31st March, 2023.

1. FINANCIAL RESULTS

	(` In Lacs)	
	As at 31-03-2023 (12 Months)	As at 31-03-2022 (12 Months)
Operating Profit / (Loss) (before interest and depreciation)	97.04	82.30
Less : Interest	<u>0.98</u>	<u>1.58</u>
Profit / (Loss) before depreciation	96.06	80.72
Less : Depreciation	<u>2.24</u>	<u>02.60</u>
Profit / (Loss) before Tax	93.82	78.12
Less : Current Tax.	24.66	22.02
Deferred Tax	<u>(0.18)</u>	<u>(00.62)</u>
Profit/(Loss) after Tax	69.35	56.72

2. TRANSFER TO RESERVES:

The Company has transferred the above profit amount under the head reserves and surplus and stakeholders net worth of the Company has been increased and that will help the stakeholders for value maximization in periods to come.

3. DIVIDEND

In view of conserving resources and due to carried forward loss your directors regret their inability to recommend any dividend on the equity shares during the period under review.

4. MATERIAL CHANGES AND COMMITMENTS:

During the year under review there were no material changes or commitments which affect the financial position of the Company. With the ease of Doing business mechanism followed by Government may give an add on to the Company to create the sustainable growth and development.

5. OPERATIONS & FUTURE PROSPECTS

The operations of the company are continuing to improve, resulting into the improvisation in the bottom-line figures.

However, the price volatilities and materials and input's smooth availabilities, were yet far from being normal, due to residual ill effects of the still ongoing Russia- Ukrain war and such other adverse circumstances. Even under such uncertain Macro Economic conditions, yet however, the keen efforts of the Management, on a continuous basis have resulted into improvements in the Net profit of the company to Rs 69.35 lakhs for the financial year 2022-23, under review, as compared to net profits of Rs 56.72 lakhs for the previous financial year 2021-2022.

The Company is planning to invest in new/start up business-limited liability partnership firm(s), within our overall chemical and related field of operations. One of our independent directors, Shri Manojkumar B. Patel who is knowledgeable on new startup businesses and its procedures, is actively helping our company.

Our company may provide necessary support by way of technical/manufacturing know-how and such other services, like managerial and financial support and supply of materials to

the LLP(s), in which our company Crestchem Limited may join as a partner, in the said LLP (s), in order to expand overall business and to improve our company's profitability, However the development and negotiation on this front is in preliminary stages.

6. DIRECTORS

Shri Nitinkumar Shantilal Shah (DIN: 00027351), was appointed to hold office as an Independent Director of the Company, in the 26th Annual General Meeting held on 29th September, 2018 and that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and applicable rules made there under (including any statutory modification(s) or-enactment thereof for the time being in force), it is hereby confirmed that the said re-appointment was for second term of Five (5) Years.

Shri Nitinkumar Shantilal Shah is appointed as non-executive director in the category of professional director w.e.f. 01/10/23 with remuneration exceeding fifty per cent of the total remuneration/compensation/fees payable to all other non-executive director of the company, in terms of regulation 17 of the sebi (listing obligations and disclosure requirements) (amendment) regulations, 2018. He is a qualified and experienced Company Secretary by profession. Shri Nitinkumar Shantilal Shah has vast knowledge in the field of Corporate Laws, Accounts and Finance. During his tenure since 2016, he has given valuable guidance and advice to the company, as an Independent director of the company, In order to take benefit of his vast knowledge and advice, the Board of Directors has appointed him as non-executive director in the category of professional director for the period of 2.5 years with effect from 01/10/2023 (01/10/2023, to 31/03/2026).

Shri Nirmal Dipak Patel (DIN:10239263) was appointed additional director on 17/07/2023 on the recommendation of nomination and remuneration committee and board of directors of the company, subject to approval of the members Shri Nirmal Dipak Patel will be appointed executive director w.e.f. 1st October, 2023 for a period of two and half years and on remuneration approved by nomination and remuneration committee of board of directors of the company.

During the year under the review none of the Director of the Company has been disqualified to act as the Director of the Company.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under the Listing Agreement with the Stock Exchanges is enclosed as **Annexure - A**.

8. SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of the Companies Act, 2013, the Secretarial Audit report for the financial year ended 31st March, 2023 given by Mehul Raval, Practicing Company Secretary is annexed as **Annexure - B** to this report. There is no qualification or any adverse remarks and observations made by PCS is self-explanatory and does not need any explanation from the Board.

9. NUMBER OF BOARD MEETINGS

During the year the Board of Directors met Eight (8) times. The details of the Board meetings are provided in the Corporate Governance Report **Annexure E**.

The meetings held were in compliance with the secretarial standards issued by ICSI vis a section 118(10) of CA-2013 to be read with SEBI (LODR) provisions.

Audit Committee

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting, reviewing the financial statement and statement of cash flow and reviewing the Company's statutory and internal audit activities.

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013. They act in accordance with the terms of reference as stipulated.

The Company has established the terms of reference of the Audit Committee in all respect. The Company is not mandated with CG Requirement however the provisions of the CA-2013 are followed in all respect. The Composition of the same with attendance is forming part of the Corporate Governance Report which is separately attached forming part of the said Directors Report.

10. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, your Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- Appropriate accounting policies have been selected and applied so as to give a true and fair view of the state of affairs of the Company as at March, 31st 2022 and of the profit of the Company for that period.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The directors, in the case of a listed company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- The annual accounts have been prepared on a going concern basis.
- The Directors have devised proper systems to ensure compliances with the provisions of applicable laws and such systems are adequate and operating effectively.

11. DISTURBANCES DUE TO INTERNATIONAL EVENT LIKE COVID-19, UKRAINE WAR ETC.

During the Financial Year 2022-23, the prolonged ill effects including disturbances in the supply chain and such other disturbances continued till the date of this report. However keen efforts of the company, continuously to maintain the business has resulted into reducing the said impact on the business of the company as much as possible.

The implication of such continued disturbances is difficult to predict and hence it is difficult to project an outlook. As such it may not be possible at this point of time to provide business outlook for our Company and Industry in general.

12. DECLARATION BY INDEPENDENT DIRECTORS

The Following Directors are independent in terms of section 149(6) of the Act and under SEBI (LODR) Regulation, 2015:

- Shri Rajesh I. Mody Non- Executive Independent Director

- Shri Binaben P. Patel Non- Executive Independent Director (Woman Director)

- Shri Nitinkumar S. Shah Non- Executive Independent Director

- Shri Manoj B. Patel Non- Executive Independent Director

The Company has received requisite declarations/ confirmations from all the above Directors confirming their independence.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

In accordance with the SEBI (LODR) (Amendment) Regulations, 2018, a certificate has been received from Shri Mehl Raval, Practicing Company Secretary, that none of the Directors on the Board of the Company have been disqualified to act as Director. The same is annexed herewith as **Annexure -C**.

13. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Statement containing Particulars of Employees pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. However, as per the provisions of section 134 and 136 of the Companies Act, 2013, the Report and financial statement are being sent to the members and others entitled thereto, excluding the statements containing Particulars of Employees, which is available for inspection by the members at the Registered office of the Company during business hours on all working days (except Saturdays), up to the date of ensuing Annual General Meeting. Any member interested in obtaining a copy of such statement may write to the Company at the registered office of the Company.

14. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to section 135 of the Companies Act, 2013, which is not applicable to the company for the period under review, hence, no committee in this regard has been constituted.

15. EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Act, the Copy of Annual return of the company for the Financial Year ended on 31st March, 2023 will be placed on the Company's website at <https://www.crestchemlimited.in/>

16. RELATED PARTY TRANSACTIONS

Details of Contracts/arrangement with the Related Parties are appearing under Note no. 27 and form part of this report. All related party transactions that were entered into during the year under report were on arm's length basis and were in the ordinary course of business and in line with the domestic transfer pricing rules. The related party transactions made by the Company with erstwhile promoter companies have no potential conflict with the interest of the Company at large.

Related Party Transactions are placed before the Audit Committee as also before the Board, wherever required, for approval. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. The Company's management ensures total adherence to the approved Policy on Related Party Transactions to establish Arm's Length Basis without any compromise. Pursuant to the provisions of Section 188(1) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars

of material contracts and arrangements entered between the Company and Related Party transaction during the year, the details, required to be mentioned in AOC-2 which is annexed herewith **Annexure D**.

17. DEPOSITS

No Public deposits were accepted or matured during the period under review.

18. FINANCE

The company has, from time to time availed of FD-OD facility from banks, against company's own fixed deposits (FDs), in routine course of Business. The company also paid-off the facilities so utilized It is Continuous process. The company has no borrowings from any Bank or any Institution. There are no outstanding interest payments. Our company is debt free. The company has adopted Indian accounting standard (IND AS), since 1st April, 2016.

BSE annual listing fees (ALF)

ALF invoice of BSE dated 13/04/2023 of Rs. 3,25,000/- +Rs. 58,500/- GST, totaling to Rs 3,83,500/- has been paid on 29/04/2023 vide Bhuj Mercantile Co-op bank Limited by UTR N119232437186645 dated 29/04/2023 Rs.3,51,000/- well within the stipulated time period, of due date.

There are no any other disputed or undisputed outstanding to BSE.

19. VIGIL MECHANISM

The Board approved Vigil Mechanism of the Company at its meeting held on 01/04/2021. The purpose of the policy is to provide a framework to promote a responsible and secure Whistle Blowing and to protect directors/employees wishing to raise a concern about serious irregularities within the Company. Under the policy, protected disclosures against below Board level employees will be addressed to the Whole Time Director / Managing Director and against Board level employees to the Chairman, Audit Committee. During the year, no reporting under Vigil Mechanism was made by any employee or Director of the Company.

20. WHISTLE BLOWER POLICY

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the listing agreement, includes an Ethics & Compliance Task Force comprising senior executives of the company, is in place with the company. Available in company's website <https://www.crestchemlimited.in/download/cd/policy-on-whistle-blower.pdf>

21. AUDITORS

M/s Samir M. Shah & Associate, Chartered Accountants, will hold office for the period of five consecutive years till the conclusion of 35th Annual General meeting to be held in 2027.

22. COST AUDIT

The Central Government of India has not prescribed the maintenance of Cost Accounting Records under sub Section (1) of Section 148 of the Companies Act, 2013 and hence this clause is not applicable to the company.

23. INTERNAL FINANCIAL CONTROLS

Internal Financial Controls are part and partial of process and system procedures. It is being monitored by the Board of Directors of the Company & Audit Committee comprising of one of the professionals at periodic intervals. The Internal

auditor is appointed in compliance of Section 138 of the Act and is conducted to examine the adequacy, relevance and effectiveness of control systems, compliance with policies, plans and statutory requirements and reports are placed before the Audit Committee for its review. During the previous financial year, the Company had in place requisite internal financial controls, for smooth functioning commensurate with the size and operation of our company.

The Company also avails the services from the professionals of repute i.e. a Firm of Chartered Accountant (Purvi Jignesh Shah & Co.) and advocate Hardik Bhupendra Shah and Corporate Law Advisor Jignesh A. Shah on retainer basis, to assist the company broadly in strategic matters, implementation of the policy, legal and internal financial controls etc.

24. HEALTH SAFETY & ENVIRONMENT

Your Company attaches the highest priority to safety, occupational health and protection of environment in and around its working areas.

25. INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO, STATEMENT OF PARTICULARS OF EMPLOYEES ETC.

Information required u/s. 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, form part of this report. However, as per the provisions of section 134, the reports and accounts are being sent to all shareholders of the Company excluding the information relating to conservation of energy, foreign exchange earnings and outgo, and the statement of particulars of employees. Any shareholder interested in obtaining such particulars may write to the Director / Company Secretary at the Corporate Office of the Company at Ahmedabad. The same is sufficiently disclosed in notes to accounts.

26. CORPORATE GOVERNANCE REPORT

During the year under Report Securities & Exchange Board of India (SEBI) introduced new listing Regulation, SEBI (LODR) Regulation, 2015 effective from December 1, 2015. The Corporate Governance Report and practices followed by the Company are indicated separately in the **Annexure-F** forming part of this report. A certificate from the Practicing Company Secretary of the Company, regarding the conditions of corporate governance as per **Annexure-F**.

27. RISK MANAGEMENT

Risks are events, situations or circumstances which may lead to adverse consequences for the Company's business. Effective risk management process is key to sustained operations thereby protecting shareholder value, improving governance process, achieving strategic objectives and being well prepared for adverse situations or unforeseen circumstances, if they occur in the lifecycle of the business activities. Your company has followed the technique of following the Risk Transfer by taking various Insurance policies and all Assets of the Company are sufficiently insured including Human Capital.

28. INDUSTRIAL RELATIONS, SAFETY AND ENVIRONMENT

During the year under review, industrial relations remained harmonious and cordial.

29. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR

TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review, the Company has received no significant and material orders passed by the Regulators or courts or Tribunals which would impact the going concern status and the Company's future operations.

However the board informs that, the Registrar of Companies, Gujarat has filed a complaint before honorable Metropolitan Magistrate Court, Ahmedabad that the company has defaulted by non-filing of Secretarial Audit Report vide form MR-3 pursuant to section 204 of the companies act, 2013 and the rules made thereunder for the financial year 2016-17 However, looking to the filing status with the help of practicing professional it has been observed that the company has already filed and attached the Secretarial Audit report in Form **MR-3** within the stipulated time hence the company does not seem to have defaulted in above statutory filing. And accordingly the matter has been taken up with the help of the Advocate before honorable court vide discharge application, which is pending for disposal by the honorable court.

30. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND FORMAL ANNUAL BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and Individual Directors, including the Chairman of the Board. Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR) Regulations 2015, the Board has followed a structured evaluation process covering various aspects of the Board's functioning.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy, inter alia, for nomination and appointment (including remuneration) of Directors, senior management and key managerial personnel of the Company. The details of Nomination and Remuneration Policy is stated in the Corporate Governance Report and uploaded on website of the company at <https://www.crestchemlimited.in/code-of-conduct.html>

Further details on election process, appointment of Directors and the details of remuneration paid to Directors and Managerial Personnel forms part of the Corporate Governance Report.

31. DISCLOSURE UNDER SECTION 197(12) AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL RULES, 2014.

There are permanent employees on the rolls of the Company as on 31st March, 2023 Including Shri Dipak Narendraprasad Patel who is Managing Director of the Company, Ms Khyati Vyas who is Company Secretary cum Compliance officer and CFO,) so, ratio/ Mean remuneration compliance is applicable to the Company as is part of the report.

32. ACKNOWLEDGEMENT

The Directors extend their sincere thanks to the Bankers, Central and State Government Authorities, Customers, Shareholders and all other who have been associated with the Company, for their co-operation, continued support and for the confidence placed in the management of the Company.

33. GENERAL INFORMATION

1. AGM held during the financial year 2022-23: 25TH August, 2022.

2. Stock Exchange where the shares of the company are listed: BSE Ltd.
3. Scrip Code of the Company: 526269.
4. The Company has now appointed CDSL for monitoring of foreign investments and the System Driven Disclosures in Securities Market as per SEBI circular SEBI/HO/ISD/ISD/CIR/P/2020/168 dated September 09, 2020 regarding Automation of Continual Disclosures under Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. The company has now obtained certain ISO certification which will help in furthering the business of the company.

5. Other Statutory Disclosures

- The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property
- The company has not carried out any revaluation of its Property, Plant and Equipment.
- The company holds all properties in its own name.
- The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The company has not traded or invested in Crypto currency or Virtual Currency during the year.
- The financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors. The financial statements as approved by the Board of Directors are subject to final approval by its Shareholders.
- The company have not received any funds from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**By Order of the Board of Directors
For & on behalf of Crestchem Limited**

Sd/-

Dipak N. Patel

Chairman and Managing Director
(DIN – 02052080)

Place : Ahmedabad
Date : 17/07/2023

ANNEXURE A
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development:

Your company is engaged in the field of processing / manufacturing/trading and marketing, of specialty chemical ingredients, the Companies products Caprylic / Capric Triglycerides in oil form and powder form and its down steam products also finds uses in Industrial fields and such other uses.

Opportunities, Threats, Risk and Concerns:

Disturbances due to International event like Covid-19, Ukraine war etc. are being faced by the company. The prolonged ill effects including disturbances in the supply chain and such other disturbances continued till the date of this report. This is a kind of risk that the company may face even in years to come.

The implication of such continued disturbances is difficult to predict and hence it is difficult to project an outlook. As such it may not be possible at this point of time to provide business outlook for our Company and Industry in general.

Opportunities are already there in the field of specialty chemicals, which is a growing field, in which the company operates.

Threats in terms of growing competition remains as usual in every field of business. But we are mitigating the risks by way of superior cost-effective technologies. Concerns due to the ongoing uncertain macro economic situation, remains, but Company, is maintaining keen vigil over the ever-changing situation and quickly adapt remedial actions.

Financial Performance with respect to operational performance:

The Operations have now stabilized during the financial year 2022-23 has resulted into improved financial performance and company's products are well accepted in domestic markets.

Internal Control Systems and their adequacy:

Your Company has adequate internal controls for its business across departments to ensure efficiency of operations, compliances with internal policies and applicable laws and regulations, protection of resources and assets and accurate reporting of financial transactions.

The internal control system is supplemented by extensive internal checking system, regular reviews by management and standard policies and guidelines to ensure the reliability of financial and all other records.

Human Resource / Industrial Relations:

Your Company strives to maintain a professional work environment and emphasis the qualities of devotion and accuracy in caring out all activities of the Company.

Business Outlook:

The growth of our Companies business depends upon several factors as discussed above. Management is reasonably optimistic however, it is difficult to predict the market demand and its trend, due to critical economic conditions created by disturbances due to Covid -19, Ukraine war etc.

Cautionary Statement:

Certain statements in this report may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local, political or economic developments, technological risks i.e. that of Covid - 19 effect and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements.

The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

ANNEXURE – B

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31-03-2023

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

To,
The Members,
CRESTCHEM LIMITED
CIN : L24100GJ1991PLC015530

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

Based on my/our verification of the **CRESTCHEM LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31/03/2023 mostly/largely complied with the statutory provisions listed hereunder and also that the Company has by enlarge and in general proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by **CRESTCHEM LIMITED** ("the Company") for the financial year ended on **31/03/2023** according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under.
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- III. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;**(The Company does not have ECB)**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from May 15, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;**(Not applicable to the Company during the Audit Period)**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;**(Not applicable to the Company during the Audit Period);**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;**(Not applicable to the Company during the Audit Period)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;**(Not applicable to the Company during the Audit Period)** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;**(Not applicable to the Company during the Audit Period)**
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.
- VI. Other laws as may be applicable specifically to the company as per **ANNEXURE I**

I HAVE ALSO EXAMINED COMPLIANCE WITH THE APPLICABLE CLAUSES OF THE FOLLOWING:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India (Which is notified w.e.f. 1st July 2015)*.
- b. The Listing Agreements entered by the Company with Bombay Stock Exchange(s) as per revised norms till date,

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

I further report that

The Board of Directors of the Company is constituted with Executive Directors, Non-Executive Directors and Independent Directors. The company has 4 Non-Executive Directors and 1 Executive Director Shri DIPAK NARENDRAPRASAD PATEL**

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

During the year under review Shri Manojkumar babubhai Patel has been appointed as an additional director of the company w.e.f. 01-04-2022 and He has been regularised as Director at AGM of the Company held on 25-08-2022.

During the year under review M/s. Samir M. Shah & Associates, Chartered Accountants has been re-appointed as statutory auditor of the Company for a further period of 5 Year at AGM of the Company held on 25-08-2022.

During the year under review Registrar of Companies (For Short "RoC") has filed complain before the honorable Metropolitan Magistrate Court, that Company has defaulted in non filing of the Secretarial Audit Report vide form MR-3 pursuant to Sec. 204 of Companies act, 2013 and the rules made there under Companies Act, 2013 for the Financial Year 2016-17, However, based on the Documents provided by the company, company has already filed Form MR-3 for the Financial Year 2016-17 and Company has preferred the Discharge Application under Section 245 of Cr.PC and the said application is taken on record by the court.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

The compliance by the company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

Based on the information provided by the company, its officers and authorized representatives during the conduct of the audit, in my opinion, adequate systems and processes and control mechanism exist in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines and general laws like various labour laws, and other laws as stated.

The stake holders are advised to go through the detailed observations carried out at Annexure II.

CS Mehul K. Raval
Company Secretary

Sd/-

Place : Ahmedabad
Date : **04/07/2023**

M. No ACS 28155
COP No. 10500
UDIN :- A028155E000547223

ANNEXURE I

Management has identified and confirmed the following laws as specifically applicable to the company.

- Contract Labour Laws
- Taxation Laws
- GST
- Negotiable Instrument Act
- Indian Contract Act
- Indian Trademarks Act-1999
- Laws Applicable to Chemical Industry
- And other laws as may be applicable from time to time

During the period under review the Company has generally complied with the material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

*As per Information obtained The Secretarial Standards as issued by The Institute of Company Secretaries of India made applicable with effect from 1st July, 2015 and the same is implemented.

** As per information provided to us and as per information available on the portal of MCA the board of the company has been constituted with following Directors.

DIN/PAN	Name	Begin date	Designation
00027351	NITINKUMAR SHANTILAL SHAH	14/11/2016	Non-Executive (Independent Director)
02052080	DIPAK NARENDRAPRASAD PATEL	01/02/2008	Managing Director
02054117	RAJESH ISHWARLAL MODY	24/08/2004	Non-Executive (Independent Director)
07131005	BINABEN PARASBHAI PATEL	25/03/2015	Woman Non-Executive (Independent Director)
09555373	MANOJKUMAR BABUBHAI PATEL	01/04/2022	Non-Executive (Independent Director)

As per MCA Records none of the director is disqualified under Section 164(2) of CA-2013. The board is comprised with optimum combination of Executive and Non-Executive Directors.

CS Mehul K. Raval
Company Secretary

Sd/-

Place : Ahmedabad
Date : **04/07/2023**

M. No ACS 28155
COP No. 10500
UDIN :- A028155E000547223

ANNEXURE II

To,
The Members
Crestchem Limited

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

- 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.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 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.
- The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

CS Mehul K. Raval
Company Secretary

Sd/-

Place : Ahmedabad
Date : 04/07/2023

M. No ACS 28155
COP No. 10500
UDIN :- A028155E000547223

ANNEXURE III

Observations**Website of the Company**

- 1) There is a website of the Company i.e. <https://www.crestchemlimited.in/contact.htm> We have not made detailed study of the same but as per our prima facie observation the same is reflecting the needed information for the benefit of the shareholders at large and the Company has on its website investor relations corner.

MCA Compliances

- 2) The Company has filed the necessary annual filings with office of Registrar of Companies-Gujarat.

CSR

- 3) The Company is not under the purview of CSR.

Charge In favour of Bank/Financial Institution.

- 4) As per information there has been no secured loan obtained from any Bank and Financial Institution and none of the property of the Company has been mortgaged or hypothecated in favour of Banks and Financial Institutions. The said information is confirmed through the portal of MCA.

Applicability of Corporate Governance

- 5) As per Clause 15 of SEBI LODR The compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of - a listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year.
- 6) Considering the above provisions, The Company has as per details available on MCA, the paid-up Share Capital is Rs. 30000000=00 and the Net worth as calculated under the definition of net worth as per latest audited balance sheet as at 31/03/2023 is less than Rs. 25 Crs. So, CG norms are not applicable. However, by virtue of Section 177 of CA-2013, the Company has formed the Audit Committee and Nomination and Remuneration Committee.

Declaration of Dividend

- 7) As at FY Ended on 31/03/2023, the company has not declared the dividend to the equity shares.

Deposits

- 8) The Company has not invited any deposit from public falling within the ambit of Section 73 to 76 of CA-2013 and as per the auditors' certificate produced before us the same is to be treated as NIL.

CS Mehul K. Raval
Company Secretary

Sd/-

Place : Ahmedabad
Date : 04/07/2023

M. No ACS 28155
COP No. 10500
UDIN :- A028155E000547223

ANNEXURE-C
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Clause 10(i) of Part C OF Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members
CRESTCHEM LIMITED
(CIN:L24100GJ1991PLC015530)
Sr. No.550/1, Sub Plot No. 12, Village - Indrad,
Taluka - Kadi, Indrad Mahesana GJ 382715 IN

We have examined the relevant registers, records, forms, returns, Status on MCA website and disclosures received from the Directors of **CRESTCHEM LIMITED** ("Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the financial year ended March 31, 2023.

In our opinion and to the best of our information and according to the verifications as considered necessary and explanations furnished to us by the company and its officers (KMPs), we hereby certify that for the financial year ended on March 31, 2023, none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or such other Statutory Authority.

Sr No	Director Name	DIN	Date of Appointment/ Reappointment
1	NITINKUMAR SHANTILAL SHAH	00027351	14/11/2016
2	DIPAK NARENDRAPRASAD PATEL	02052080	01/02/2008
3	RAJESH ISHWARLAL MODY	02054117	24/08/2004
4	BINABEN PARASBHAI PATEL	07131005	25/03/2015
5	MANOJKUMAR BABUBHAI PATEL	09555373	01/04/2022

Ensuring the eligibility for the appointment / continuity of every director on the board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this based on our verification and disclosure made by each director. 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.

CS, Mehul K.Raval
Company Secretary
Sd/-

Place : Ahmedabad
Date : **04-07-2023**

ACS: 28155
C. P. No.: 10500
UDIN :- A028155E000547267

ANNEXURE 'D'

AOC-2

Particulars of Contracts/Arrangements made with related parties

(Pursuant to clause (h) of sub-section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Forms for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

A. Details of contracts or arrangements transactions not at arm's length basis

There were no contracts, arrangements or transactions entered in to during the year ended March 31, 2023, which were not at arm's length basis.

B. Details of transactions on arm's length basis

There was no material transactions entered in to during the year ended on March 31, 2023 with the related parties of the Company. Further below mentioned transactions entered by the Company with related parties were at arm's length basis for the year ended March 31, 2023.

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	1) Mrs.Parul D Patel,wife of Dipak Narendraprasad Patel (Managing Director) 2) Shri Nirmit D Patel son of Dipak Narendraprasad Patel (Managing Director)
b)	Nature of contracts/arrangements/transaction	1) Mrs. Parul D Patel has been paid salary. 2) Shri Nirmit D Patel has been paid salary
c)	Duration of the transaction	1) From 01/07/2021 for a period of 5 years Mrs. Parul D Patel has been appointed as Manager (Administration a non KMP,(in the salary slab of Rs.45000/- - Rs. 6000/- — Rs. 75000/-). And other perquisite if any as per the terms and conditions of appointment. 2) From 01/04/2022 for a period of 5 years Shri Nirmit D Patel has been appointed as Techno Commercial Executive a non KMP (in the salary slab of Rs.49000/- - Rs. 6500/- — Rs. 81500/-). And other perquisite if any as per the terms and conditions of appointment.
d)	Salient terms of the transaction including the value, if any	1) Mrs. Parul D Patel, has been paid Salary (which includes performance incentive) amounting to Rs. 712000/- only, during the financial year. 2) Shri Nirmit D Patel, has been paid Salary (which includes performance incentive) amounting to Rs. 735000/- only, during the financial year.
e)	Justification for entering into such contracts or arrangements or transactions'	1) Mrs. Parul D Patel was appointed as Manager Administration,a non KMP, to handle administrative work of the company w.e.f. 01/07/2021 for a period of 5 years. The same was duly approved by the members at the AGM held on 23/09/2021 wherein the details have been mentioned in the explanatory statement pursuant to action 102 of the companies Act, 2013. 2) Shri Nirmit D Patel was appointed as appointed as Techno Commercial Executive, a non KMP, w.e.f. 01/04/2022 for a period of 5 years. The same was duly approved by the members at the AGM held on 25/08/2022 wherein the details have been mentioned in the explanatory statement pursuant to action 102 of the companies Act, 2013.
f)	Date of approval (Resolution passed in General Meeting)	1) Resolution passed in AGM dated 23/09/2021 2) Resolution passed in AGM dated 25/08/2022
g)	Amount paid as advances, if any	Not Applicable

By Order of the Board of Directors
For & on behalf of Crestchem Limited

Sd/-

Dipak N. Patel

Chairman and Managing Director
(DIN – 02052080)

Place : Ahmedabad
Date : 17/07/2023

Information pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. Ratio of the remuneration of each Director / key managerial personnel (KMP) to the median remuneration of all the employees of the Company for the Financial Year is as follows:

Median remuneration of all the employees of the Company for the Financial Year 2022-23 (in Rs.)	723500
Number of permanent employees on the rolls of the Company as on March 31, 2023	4

Name of the Director* /KMP/ relative of Director	Designation	Ratio of remuneration to median remuneration of all employees	2022-23
Executive Director			
Dipak N Patel	Managing Director	3.445	54.54%
Relatives of Executive director			
Parul D Patel	Manager (Administration)	0.980	15.51%
Nirmit D Patel	Techno Commercial Executive	1.015	16.07%
Other KMPs			
Khyati Vyas	Company Secretary, Compliance Officer & CFO	0.876	13.86%

Note:

1. The ratio of remuneration of each Director and KMP to the median remuneration is based on the remuneration paid during the year 2022-23 in their respective capacity as such Director or KMP.
- ii. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year. In addition to this, 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:**
- On an average an employee receives an annual increase (excluding on account of promotions) of 15% -25 %, which also includes wage increments for unionized employees due to wage settlements. The wage revision for staff cadre employees is done annually as per the company's HR Policy. In order to ensure that the remuneration reflects company performance, the performance pay & annual increment are also linked to organization's performance, apart from an individual's performance. The individual increments for staff cadre employees are based on cost to company (CTC) consisting of annual base salary and the performance/ variable pay.
- Average increase in the remuneration of the employees other than the managerial personnel and that of the key managerial personnel is in the line with the industry practice and industry trends. The average increase in the remuneration is also guided by factors like economic growth, inflation, mandatory increases, external competitiveness and talent retention. The company endeavors on cost effective initiatives including employee cost, being one of the key areas of cost monitoring and control, the results of any structural initiatives needs to be measured over a long term horizon and cannot be strictly compared only with annual performance indicators.
- iii. **The key parameters for any variable component of remuneration availed by the Directors**
- Performance assessment is based on the company performance and individual performance. Based on the performance assessment, the variable remuneration is approved by the Nomination & Remuneration Committee and recommended to the board for their approval within the overall limits as permitted under the law and as approved by the members. Other than the CEO & Managing Director, no other director is in receipt of any variable components of remuneration.
- iv. **The remuneration is as per the Remuneration Policy of the Company.**

ANNEXURE - E CORPORATE GOVERNANCE

[Pursuant to clause 49 of the listing agreement with the Stock Exchange. / Pursuant to Regulation 27(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance envisages following of fair business and corporate practices, whereby ensuring better satisfaction of grievances, if any, of all its stakeholders including customers, shareholders and employees, guided by commitment towards efficiency and excellence in every aspect of its business, with due concern for social responsibility.

2. BOARD OF DIRECTORS:

- (a) Composition of Board : The Board of directors of the Company consists of 5 directors out of which there is one Managing Director and 4 Non Executive Independent directors, who are eminent personnel with wide range of skills and experience in business, finance and law. The Board comprises of 4 independent directors, out of four Independent Director 1 is women Independent Director. The Board normally meets once in a quarter, and additional meetings are held as and when required.
- (b) Details of attendance of each director at the Board Meetings and the last Annual General Meeting (AGM), with particulars of their other directorship, and chairmanship / Memberships of board / committees :

	Directors	Category	Attendance Particulars		No. of other Directorships and other committee memberships / chairmanships held in other public Ltd. Companies.		
			Board Meeting	Last AGM	Directorships	Committee Memberships	Committee Chairmanship
1	Mr. Dipak Patel	Managing Director	8	Yes	-	-	-
2	Mr. Rajesh I. Mody	Non-executive Independent Director	8	Yes	-	-	-
3	Mr. Nitinkumar Shantilal Shah	Non-executive Independent Director	8	Yes	-	-	-
4	Mrs. Binaben Parasbhai Patel	Non-executive Independent Director	8	No	-	-	-
5	Shri Manojkumar Babubhai Patel	Non-executive Independent Director	8	Yes	-	-	-

Skills / Expertise / Competence of the Board:

The Board comprises of Directors with varied experiences in different areas who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its committees. The following list summarizes the key skills, competence and area of expertise that the Board thinks is necessary for functioning in the context of the Company's business and sector and which in the opinion of the Board, its members possess knowledge relating to Chemical industries, Commercial, Finance, Sales and marketing, Technical and technical knowhow, General administrative and Human Resources, Risk management and mitigation planning and legal and corporate laws.

No. of Board meeting held and dates on which held :

Eight Board Meetings were held during the year ended March, 2023 viz. on 30-05-2022, 07-07-2022, 08-08-2022, 07-10-2022, 12-11-2022, 26-12-2022, 11-02-2023 and 31-03-2023.

BOARD COMMITTEES

3. AUDIT COMMITTEE:

The Audit Committee was constituted on 15-03-2003 consisting of three directors One more Independent Director appointed w.e.f. 01/04/2023. The quorum is 2 members. The terms of the reference of the Audit committee include approving and implementing the audit procedures and techniques, reviewing the financial reporting system, internal control systems, ensuring compliance with the regulatory guidelines, and reviewing the risk management policies of the Company. The Audit committee met prior to the finalization and approval of accounts for the year ended on 31st March, 2023. The committee has full access to all accounting records of the company.

The present composition of the audit committee, meetings and attendance is as follows:

Name of the Members	Designation and Category	Profession	Attendance at the Audit Committee meeting held on					
			30/05/22	07/07/22	08/08/22	12/11/22	26/12/22	11/02/23
Mr. Rajesh I. Mody	Chairman /Member of the committee and non-executive Independent Director	Graduate in Science and experienced businessman	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Binaben Paraskumar Patel	Member of the committee and non-executive Independent Director	Post graduate	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Nitinkumar Shantilal Shah	Member of the committee	Company Secretary	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Dipak Narendraprasad Patel	Member of the committee	Graduate in Science and MBA having Sr. Management experience.	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Manojkumar Babubhai Patel	Member of the committee and non-executive Independent Director	Graduate in Computer and doing business	Yes	Yes	Yes	Yes	Yes	Yes

The Audit Committee invites such of the executives and directors as it considers appropriate to be present at the meetings. The manager/ Accountant / Auditors etc are normally invited to these meetings. The minutes of Audit Committee meetings are noted by the Board of Directors at the Board Meeting.

4. **NOMINATION AND REMUNERATION COMMITTEE :**

The present composition of nominate and remuneration committee, its meetings and attendance is as follows:

Name of the Members	Designation and Category	Attendance at the Remuneration Committee meeting held on	
		30/05/22	11/02/23
Mr. Rajesh I. Mody	Chairman of the Committee and Non-executive Independent Director	Yes	Yes
Mr. Nitinkumar Shantilal Shah	Member and Non-executive Independent Director	Yes	Yes
Mrs. Binaben Parasbhai Patel	Member and Non-executive Independent Director	Yes	Yes
Mr. Manojkumar Babubhai Patel	Member and Non-executive Independent Director	Yes	Yes

Two Nomination and Remuneration Committee meeting was held during the year. The quorum was two members.

The Non Executive Directors are not entitled to remuneration, as on date, for attending committee meetings, except the sitting fees for attending board meetings. The broad terms of reference of remuneration committee are to review remuneration practices including those payable to directors/managing directors, subject to the approval of the board/shareholders.

5. **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Committee looks into redressal of Stakeholders Relationship Committee, if any, like transfer / transmission / demat of shares, loss of share certificate, non-receipt of Annual Report etc. The quorum was 2 members. The present composition of the committee, its meetings and attendance is as follows:

Name of the Members	Designation and Category	Attendance at the Shareholders Relationship Committee meeting held on					
		30/05/22	07/07/22	08/08/22	12/11/22	26/12/22	11/02/23
Mr. Rajesh I. Mody	Chairman of the committee and non-executive Independent Director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Nitinkumar Shantilal Shah	Member of the committee and non-executive Independent Director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Dipak Narendraprasad Patel	Member of the committee and executive director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Binaben Paraskumar Patel	Member of the committee and non-executive Independent Director	Yes	Yes	Yes	Yes	Yes	Yes

No Complaints were pending during the year ended on 31st March, 2023 and necessary actions are taken.

6. **INDEPENDENT DIRECTORS MEETING**

Schedule IV to the Act, inter alia, prescribed that the Independent directors of the Company shall hold at least one meeting in a year, without attendance of the management. During the year one meeting of independent director was held on 11th February, 2023. Shri Rajesh I. Mody was unanimously elected as the chairman of the meeting of the independent directors. At the meetings, the independent directors also review the performance of the non-independent directors (including chairperson).

7. **GENERAL BODY MEETINGS:**

Location, time and date where last three Annual General Meetings of the Company were held are given below:

Financial Year	Date	Time	Location of the Meeting	Any Special Resolution Passed
2019-2020	24/12/2020	12.00 Noon	AGM VC/OAVM	Yes
2020-2021	23/09/2021	12.15 Noon	AGM VC/OAVM	Yes
2021-2022	25/08/2022	12.15 Noon	AGM VC/OAVM	Yes

8. **MEANS OF COMMUNICATION:**

- The quarterly, half yearly and full year results are prepared. Audited – annual reports are sent to the shareholders.
- Pursuant to the requirement of the Listing Agreement and LODR, the company has also created email address for making investor's grievance directly i.e. info@crestchemlimited.in
- The management discussion and analysis report forms part of Directors Report.
- Quarterly and annual results are published in Gujarati and English News papers.
- The data and information relating to the Company can be accessed from the following websites :www.crestchemlimited.in.

9. GENERAL SHAREHOLDER INFORMATION:

- (i) **Annual General Meeting**
Day, Date & Time : Thursday, 24th August, 2023 at 12.15 pm (Noon)
Venue : Video Conferencing (VC) or Other Audio Visual Means (QAVM)
- (ii) **Financial Calendar period** : **01-04-2022 to 31-03-2023**
- (iii) **Date of Book Closure** : **17/08/2023 to 24/08/2023 (Both days inclusive)**
- (iv) **Listing on Stock Exchange** :
- (a) **The Stock Exchange Mumbai (BSE)**
All Annual listing fees to BSE have been paid up to the Financial Year 2022-2023 and 2023-2024. Bombay Stock Exchange (BSE) has granted permission to commence Trading of Shares of Crestchem Limited with effect from 01st October, 2012, on BSE Platform and Trading has also commenced in due course thereafter.
- (v) **Stock Code / Symbol** : Bombay Stock Exchange, (BSE) 526269
- (vi) **ISIN No. INE293N01016** was granted by CDSL.
- (vii) **Market Price Data :**

BSE (BOMBAY STOCK EXCHANGE)

Month	Highest Price	Lowest Price	BSE Sensex Highest	BSE Sensex Lowest	Close	No. of trades	Number of shares traded
Apr-22	55	40.1	60,845.10	56,009.07	57,060.87	315	18664
May -22	49.1	37.95	57,184.21	52,632.48	55,566.41	194	9839
Jun-22	48.5	40.8	56,432.65	50,921.22	53,018.94	183	7123
Jul-22	49.2	38.5	57,619.27	52,094.25	57,570.25	300	11057
Aug-22	46.55	37	60,411.20	57,367.47	59,537.07	590	30352
Sep-22	54	39.3	60,676.12	56,147.23	57,426.92	844	52767
Oct-22	93.85	50.1	60,786.70	56,683.40	60,746.59	912	66014
Nov-22	76.3	61.7	63,303.01	60,425.47	63,099.65	777	33063
Dec-22	68.85	54.6	63,583.07	59,754.10	60,840.74	653	28838
Jan-23	68.2	57.5	61,343.96	58,699.20	59,549.90	648	23182
Feb-23	89.9	59.05	61,682.25	58,795.97	58,962.12	665	26716
Mar-23	129.2	65.4	60,498.48	57,084.91	58,991.52	1115	67252

(viii) 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

(ix) Registrar & Share transfer Agents :

The Company has appointed a Registrar and Share Transfer Agent (RTA), to handle Physical and Dematerialized shares. For Share Transfer, Demat & any other Communications relating to Share Certificates, Change of address, Investor Grievances etc. to be sent to:

LINK INTIME INDIA PRIVATE LIMITED

506-508, Amarnath Business Centre-1 (ABC-1), Besides Gala Business Centre, Near ST Xavier's College Corner, Off C G Road, Ellisebridge, Ahmedabad - 380006.

Telefax No. : 91-79 - 26465179 Email: ahmedabad@linkintime.co.in

(x) Share Transfer System :

All the share related work is being undertaken by R & T Agent, Link Intime India Private Limited. Ahmedabad whose address is given above. The Share Transfers are registered and returned within 15 days from the date of receipt if relevant document are complete in all respects/ The shareholders/ Investor' grievances are also taken up by our R & T Agent.

(xi) Share-Distribution Schedule as on 31-03-2023:

No. of Equity Shares	No. of Share holders	% of share holders	No. of Share held	% of share holding
1 - 500	11031	96.0889	1458375	48.6125
5001 - 1000	286	2.4913	237107	7.9036
1001 - 2000	86	0.7491	127708	4.2569
2001 - 3000	39	0.3397	99266	3.3089
3001 - 4000	8	0.0697	28456	0.9485
4001 - 5000	7	0.0610	33540	1.1180
5001 - 10000	8	0.0697	64400	2.1467
10001 - *****	15	0.1307	951148	31.7049
Total	11480	100.00	3000000	100.00

(xii) Shareholding Pattern as on 31st March, 2023:

Category	No. of Shares	% of holding
Non-Resident Indians	29317	0.97
Nationalized Banks	3900	0.13
Bodies Corporate	10101	0.34
Directors	455185	15.18
Relatives of Directors	488165	16.27
Others	2013332	67.11
TOTAL	30,00,000	100.00

811800 shares are in Demat Mode and the rest are in Physical Mode.

(xiii) Dematerialization of equity shares:

The Company has got permission for dematerialization of shares on 24th September, 2012 and ISIN Number was allotted to the Company. The Dematerialization process started thereafter and 811800 shares are in dematerialized form, as on date 31/03/2023.

For Dematerialization of their shares the share holders are requested to contact the Depository Participants / R & T Agent whose address is mentioned above.

(xiv) Plant Location :

Survey No. : 550/1, Sub Plot Number 12
 Village : INDRAD
 Taluka : Kadi
 District : Mehsana – 382 715 (NORTH GUJARAT)
 Phone : 02764 – 278247/09409119484

(xv) Address for Correspondence:

Besides the address of R & T Agent mentioned above, If required, the Share Holders are requested to contact the following address:

Corporate Office : 303 B, Central Business Space, Opp: Fortune Land Mark Hotel, Opp. HDFC bank, Near Usmanpura
 Cross Road, Ashram Road, Ahmedabad-380013

Name of the Company : **CRESTCHEM LIMITED**
 Survey No. : 550/1, Sub Plot Number 12
 Village : INDRAD
 Taluka : Kadi
 District : Mehsana – 382 715 (NORTH GUJARAT)
 Phone : 02764 – 278247/09409119484
 Email : info@crestchemlimited.in
 Website : www.crestchemlimited.in

9. DISCLOSURES:

(A) Related party transactions

There were no materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, directors or the management, their subsidiaries or relatives and KMP etc. that may have potential conflict with interests of the company at large. The related party transactions are duly disclosed in the Note 27 to the financial statements.

(B) Disclosure of accounting treatment

The company has followed all applicable Accounting Standards while preparing the financial statements subject to notes thereon. No treatment different from the Accounting Standards, prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of Financial Statements.

The company has adopted Indian Accounting Standards (Ind AS) from 1st April, 2016. The figures for the Quarter and Year ended 31st March, 2016 are Ind AS compliant.

(C) Proceeds from public issues, right issues, preferential issues etc.

During the year, the company has not raised funds through public issues, right issues or preferential issue.

(D) Management

The Management Discussion and Analysis Report, published as a separate section of this report is prepared in accordance with the requirements laid out in the listing agreement and forms part of the Annual Report. The company has complied with the mandatory requirements of the listing agreement. The risk management policies of the company are periodically reviewed by the Audit Committee of the Board of Directors of the company and by the board. The risk management issues are mentioned in the Management Discussion and Analysis Report.

(E) Disclosure of directors seeking appointment / reappointment

The details pertaining to directors seeking appointment / reappointment are furnished as Annexure to Notice convening the Annual General Meeting.

(F) Statutory Compliance

Bombay Stock Exchange (BSE) has granted permission to commence Trading of Shares of Crestchem Limited with effect from 01st October, 2012, on BSE Platform.

No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or other Statutory Authority, on any matter related to capital market.

(G) Whistle Blower Policy and affirmation that personnel have been denied access to the audit committee.

At present the Company has whistle-blower policy. However, no personnel have been denied access to the audit committee or the Managing Director of the Company.

(H) None of the Shares of the Company are pledged or encumbered.**(I) CEO/CFO Certification**

A certificate from the CEO (MD)/CFO of the company, on the financial statement and other matters of the company for the financial year ended March 31, 2023, was placed before board at its the meeting held on 17-07-2023.

(J) Auditor's/ practicing company secretaries report on Corporate Governance

Certificate from the practicing company secretaries confirming compliance with the conditions of Corporate Governance, as stipulated in the listing agreement of the Bombay Stock Exchange in India, forms part of this report.

9. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL:

A qualified practicing company secretary carried out quarterly secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirmed that the total issued / paid-up capital was in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

10. CEO/CFO CERTIFICATION :

Managing Director (CEO) and Chief Financial Officer (CFO) Certification

We Dipak Narendraprasad Patel, Chairman and Managing Director and Khyati Vyas, Company Secretary & CFO (Finance) of Crestchem Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the balance sheet as at 31st March 2023 and Profit & Loss account, and all its schedules and Notes on accounts, as well as the cash flow statement and the Director's Report for the year ended on that date.
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact or do not contain any statement that might be misleading;
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the company's affairs, the financial condition, results of operations and cash flows of the Company as on, and for the year presented in this report and are in compliance with the existing accounting standards and /or applicable laws and regulations;
4. To the best of our knowledge and belief, no transaction entered into by the company during the year are fraudulent, illegal or violative of the Company's code of conduct;
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a. evaluated the effectiveness of the company's disclosure, controls and procedures pertaining to financial reporting;
 - b. disclosed in this report any change in the Company's internal controls over financial reporting that occurred during the company's most recent accounting year that may have materially affected, or is reasonably likely to affect, the Company's internal control pertaining to financial reporting.
6. We have disclosed based on our most recent evaluation, wherever applicable, to the company's auditors and the audit committee of the company's Board of Directors;
 - a. Deficiencies in the design or operation of internal controls, which could adversely affect the company's ability to record, process, summarize and report financial data and have identified for the Company's auditors, any material weakness in internal control over financial reporting including any corrective actions with regard to such deficiencies, if any;
 - b. Significant changes in internal controls during the year covered by this report, if any;
 - c. All significant changes in accounting policies during the year, if any and that the same have been disclosed in the notes to the financial statements;
 - d. No instances of significant fraud of which we are aware, involving management or other employees who have significant role in the Company's internal control system;
7. We further declare that all the Board Members and senior management personnel have affirmed compliance with the code of conduct during the year.

Place : Ahmedabad
Date : 17-07-2023

Sd-
Dipak Narendraprasad Patel
Director/CEO

Sd-
Khyati Vyas
Chief Financial Officer (CFO)

11. COMPLIANCE CERTIFICATE FROM THE PRACTISING COMPANY SECRETARY OF THE COMPANY:

Certificate from Shri Mehul Raval, Company Secretary, confirming compliance with the conditions of Corporate Governance stipulated in the Listing Agreement, is annexed to this report forming part of the Annual Report.

12. DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT :

The Board Members and the Senior Management personnel have confirmed compliance with the code of conduct for the financial year ended 31st March, 2023. The Company has also adopted the below mentioned policies and codes in line with the corporate governance requirements: <https://www.crestchemlimited.in/code-of-conduct.html>

Code Of Conduct :

- | | |
|---|-------------------------------------|
| - Independent Director | - Inquiry on UPSI |
| - UPSI | - policy on nomination remuneration |
| - policy on code for independent director | - policy on board devirity |
| - policy on Insider trading | - policy on presevation of document |
| - policy on related party | - policy on Risk management |
| - policy on sexual harasment | - policy on whistle blower |

For and on behalf of the Board of Directors of Crestchem Limited

Sd/-

Dipak N. Patel

Chairman & Managing Director
(DIN – 02052080)

Place : Ahmedabad

Date : 17/07/2023

ANNEXURE- F**CERTIFICATE ON CORPORATE GOVERNANCE**

To
The Members
CRESTCHEM LIMITED
(CIN: L24100GJ1991PLC015530)
Sr. No.550/1, Sub Plot No. 12, Village - Indrad,
Taluka - Kadi, Indrad Mahesana GJ 382715 IN

We have examined the compliance of conditions of Corporate Governance by CRESTCHEM LIMITED for the year ended March 31st, 2023, as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24 A 25, 26, 27 clauses (b) to (i) of sub-regulation (2) of regulation 46, para C, D and E of Schedule V and Part E of Schedule II of LODR of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as 'SEBI Listing Regulations, 2015').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and as per the representation given by the Managing Director and the Board of the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

CS Mehul K.Raval
Company Secretary

Sd/-

ACS: 28155

C. P. No.: 10500

UDIN:A028155E000547311

Place : Ahmedabad

Date : **04-07-2023**

INDEPENDENT AUDITORS' REPORT

To the Members of
CRESTCHEM LIMITED
Ahmedabad

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of **Crestchem Limited** ('the Company'), which comprise the balancesheet as at **March 31, 2023**, the statement of profit and loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. However, we have no such matters to be reported under this para.

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

The Company's management and Board of Directors are responsible for the preparation of 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 and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so,

consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance and as may be legally advised. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other

Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on **March 31, 2023** taken on record by the Board of Directors, none of the directors is disqualified as on **March 31, 2023** from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any

manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - (iii) Based on such audit procedures as 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 (i) and (ii) above, contain any material misstatement.
 - v. The Company has not declared any dividend during the year under audit.
- C. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For SAMIR M. SHAH & ASSOCIATES
Chartered Accountants
FIRM REG. No.: 122377W
SAMIR M. SHAH
(PARTNER)
MEMBERSHIP No.: 111052
UDIN: 23111052BGWSQU6026

Place : Ahmedabad
Date : **May 15, 2023**

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the period ended **March 31, 2023**, we report that:

- (i) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no intangible assets of the Company so this clause is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment. In accordance with this programme, certain Property, Plant and Equipment were verified during the period. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification by us.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of

the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
 - (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets, so this clause is not applicable.
 - (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, so clause (a) to (f) are not applicable.
 - (iv) According to the information and explanations given to us, there are no transactions made in respect of loans, investments, guarantees, and security in respect of section 185 and 186 of the Companies Act, 2013 so this clause is not applicable.
 - (v) According to the information and explanations given to us, the company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year, so this clause is not applicable.
 - (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/ or services provided by it), so this clause is not applicable.
 - (vii) (a) According to the records provided by the Company, the company has been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues

- were in arrears as at **March 31, 2023** for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year so this clause is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans so this clause is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013 so this clause is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013 so this clause is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) so this clause is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year so this clause is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no material fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company so this clause is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 so this clause is not applicable.
- (b) According to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934 so this clause is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India so this clause is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC so this clause is not applicable.
- (xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year so this clause is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence 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 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project so clause (a) and (b) are not applicable.
- (xxi) The Company is not required to prepare the consolidated financial statement for the year under consideration so this clause is not applicable.

For SAMIR M. SHAH & ASSOCIATES
Chartered Accountants
FIRM REG. No.: 122377W
sd/-

Place : Ahmedabad
Date : **May 15, 2023**

SAMIR M. SHAH
(PARTNER)
MEMBERSHIP No.: 111052
UDIN: 23111052BGWSQU6026

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

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

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting of **Crestchem Limited** ("the Company") as of **March 31, 2023** in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at **March 31 2023**, based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 standalone 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.

For SAMIR M. SHAH & ASSOCIATES
Chartered Accountants
FIRM REG. No.: 122377W
sd/-

Place : Ahmedabad
Date : **May 15, 2023**

SAMIR M. SHAH
(PARTNER)
MEMBERSHIP No.: 111052
UDIN: 23111052BGWSQU6026

BALANCE SHEET AS ON MARCH 31, 2023

(Amt. in Rs. in thousands)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment & Intangible Assets	4		
(i) Property, Plant and Equipment		1,049.76	1,114.12
(ii) Intangible Assets			
(b) Financial assets			
(i) Others	5	33,930.87	19,307.57
(c) Deferred Tax Assets (Net)	6	18.33	0.06
(d) Other non-current assets	7	750.55	750.55
(2) Current assets			
(a) Inventories	8	-	25.00
(b) Financial assets			
(i) Trade receivables	9	163.61	8,962.85
(ii) Cash and cash equivalents	10	8,690.78	96.65
(iii) Bank balances other than (ii) above	11	-	-
(c) Other current assets	12	3,276.56	2,678.34
Total Assets		47,880.46	32,935.15
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	13	30,000.00	30,000.00
(b) Other equity	14	(2,468.38)	(9,402.98)
LIABILITIES			
(1) Non-current liabilities			
(a) Provisions	14A	137.31	64.04
(b) Deferred tax liabilities (Net)	6A	-	
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	15	-	2,670.28
(ii) Trade payables	16		
1. Total outstanding dues of micro enterprises and small enterprises		-	-
2. Total outstanding dues of creditors other than micro enterprises and small enterprises		17,358.89	6,979.17
(b) Other current liabilities	17	354.54	499.17
(c) Provisions	18	2,498.10	2,125.47
Total Equity and Liabilities		47,880.46	32,935.15

The accompanying Notes 1 to 32 are integral part of these Financial Statements.

As per our report of even date attached.

For Samir M Shah & Associates

Chartered Accountants

Firm Regn No. 122377W

sd/-

Samir Shah

Partner

Membership No. 111052

Place : Ahmedabad

Date : May 15, 2023

For and on behalf of the Board of Directors

sd/-

Dipak N. Patel

Managing Director

(DIN – 02052080)

sd/-

Khyati Vyas

(Company Secretary)

Place : Ahmedabad

Date : May 15, 2023

sd/-

Rajesh Mody

Director

(DIN - 02054117)

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED March 31, 2023

(Amt in Rs. in thousands)

Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
I. Revenue From Operations	19	167,282.56	79,472.62
II Other Income	20	1,472.33	753.67
III Total Income (I +II)		168,754.89	80,226.29
IV Expenses			
Cost of Materials Consumed	21	144,417.32	61,294.42
Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	22	-	6.21
Employee Benefits Expense	23	5,344.14	2,620.61
Finance Costs	24	98.28	157.65
Depreciation and Amortization Expense	4	224.11	259.72
Other Expenses	25	9,288.60	8,075.56
Total Expenses (IV)		159,372.46	72,414.16
V Profit before tax (III- IV)		9,382.43	7,812.14
VI Tax expense			
Current Tax (a)		2,466.10	2,201.78
MAT Credit (b)		-	-
(1) Current Tax (a-b)		2,466.10	2,201.78
(2) Deferred Tax	6	(18.27)	(61.67)
VII Profit for the period (V -VI)		6,934.60	5,672.03
VIII Other Comprehensive Income		-	-
IX Total Comprehensive Income for the period (VII + VIII) (Comprising Profit and Other Comprehensive Income for the period)		6,934.60	5,672.03
X Paid-up Equity Share Capital (Face Value of ` 10/- each)		30,000.00	30,000.00
XI Earnings per equity share (EPS) in `			
Basic & Diluted	26	2.31	1.89

The accompanying Notes 1 to 32 are integral part of these Financial Statements.

As per our report of even date attached.

For Samir M Shah & Associates

Chartered Accountants

Firm Regn No. 122377W

sd/-

Samir Shah

Partner

Membership No. 111052

Place : Ahmedabad

Date : May 15, 2023

For and on behalf of the Board of Directors

sd/-

Dipak N. Patel

Managing Director

(DIN – 02052080)

sd/-

Rajesh Mody

Director

(DIN - 02054117)

sd/-

Khyati Vyas

(Company Secretary)

Place : Ahmedabad

Date : May 15, 2023

STATEMENT OF CHANGES IN EQUITY**A. EQUITY SHARE CAPITAL**

(Amount in Rs. in thousands)

Particulars	Amount
Balance as at 1st April, 2022	30,000.00
Changes during the year	-
Balance as at 31st March, 2023	30,000.00

B. OTHER EQUITY

(Amount in Rs. in thousands)

Particulars	Retained Earnings	Other Comprehensive Income	Total
Balance as at 1st April, 2022	(9,402.98)		(9,402.98)
Profit for the year	6,934.60	-	6,934.60
Balance as at 31st March, 2023	(2,468.38)		(2,468.38)

As per our report of even date attached.

For Samir M Shah & Associates
Chartered Accountants
Firm Regn No. 122377W

sd/-

Samir Shah
Partner
Membership No. 111052Place : Ahmedabad
Date : May 15, 2023**For and on behalf of the Board of Directors**

sd/-

Dipak N. Patel
Managing Director
(DIN – 02052080)

sd/-

Khyati Vyas
(Company Secretary)Place : Ahmedabad
Date : May 15, 2023

sd/-

Rajesh Mody
Director
(DIN - 02054117)

Company Overview & Significant Accounting Policies

NOTE : 1

Background and operations

Crestchem Limited (the 'Company') is a company domiciled in India with its registered office situated at 550/1, Sub Plot No. 12, Village-Indrad, Taluka- Kadi, Mahesana- 382715, Gujarat, India. The Company has been incorporated under the provisions of Companies Act applicable in India and its equity shares are listed on the Bombay Stock Exchange (BSE) in India. The Company is primarily involved in manufacturing of Nutrition- Chemical Products.

These standalone financial statements were approved by the Board of Directors and authorised for issue on May 15, 2023.

NOTE : 2

Basis of preparation

Statement of compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

Details of Significant accounting policies are included in the Note 3

(a) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR) in thousands, which is also the functional currency.

(b) Basis of Measurement

The financial statements have been prepared on the historical cost basis.

(c) Use of Estimates and Judgements:

In preparing these financial statements, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

Estimates: Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized prospectively.

Judgements: There are no significant judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.

Assumptions and estimation uncertainties: Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year, if any are included in the respective note.

(d) Cost recognition: Costs and expenses are recognized when incurred and are classified according to their nature.

(e) Going concern: The Company's financial statements have been prepared on a going concern basis.

The Company has performed an assessment of its financial position as at **March 31, 2023** and forecasts of the Company for a period of eighteen months from the date of these financial statements (the 'Going Concern Assessment Period' and the 'Foreseeable Future').

In developing these forecasts, the Company has modelled a base case, which has been further sensitized using severe but plausible downside scenarios. It also accounts for other end-market and operational factors throughout the Going Concern Assessment Period.

The base case assumes continued recovery in industry volumes based upon external industry forecasts. This has been further sensitized using more severe but plausible scenarios considering external market commentaries and other factors impacting the global economy and automotive industry. Management do not consider more extreme scenarios than the ones assessed to be plausible.

In evaluating the forecasts, the Company has taken into consideration both the sufficiency of liquidity to meet obligations as they fall due as well as potential impact on compliance with financial covenants during the forecast period. These forecasts indicate that, based on cash generated from operations, the existing funding facilities the Company will have sufficient liquidity to operate and discharge its liabilities as they become due, without breaching any relevant covenants and the need for any mitigating actions.

Based on the evaluation described above, management believes that the Company has sufficient financial resources available to it at the date of approval of these financial statements and that it will be able to continue as a 'going concern' in the foreseeable future and for a period up to **September 30, 2024**.

(f) Measurement of fair value:

The Company has established policies with respect to the measurement of fair values. The Company regularly reviews significant valuation adjustments. Significant valuation issues are reported to the Company's Board of Directors.

NOTE : 3.**Significant Accounting Policies****(a) Financial instruments****1. Financial Assets:**

i) Classification

The Company classifies its financial assets in the following measurement categories:

- Those measured at 'Amortized cost' and
- Those to be measured subsequently at either 'Fair value through other comprehensive income' (FVTOCI) or 'Fair value through profit or loss' (FVTPL).

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

- A financial asset is measured at amortized cost if it meets both following conditions and is not designated as at FVTPL:
 - the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
 - the contractual terms of a financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
 - A debt investment is measured at FVOCI if it meets both following conditions and is not designated as at FVTPL:
 - the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
 - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
 - Financial assets are not reclassified after their initial recognition except if and in the period the Company changes its business model for managing financial assets.
- ii) Measurement: At initial recognition, the company measures a financial asset when it becomes a party to the contractual provisions of the instruments and measures at its fair value except trade receivables which are initially measured at transaction price. Transaction costs are incremental costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. A regular way purchase and sale of financial assets are accounted for at trade date.
- iii) Subsequent measurement and gains and losses
- Financial assets at FVTPL These assets are subsequently measured at fair value. Net gains including any interest or dividend income, are recognized in profit or loss.
- Financial assets at amortized method These assets are subsequently measured at amortized cost using the effective interest method.
- The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.
- iv) De-recognition: 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 the risks and rewards of ownership of the financial asset is transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognized.

2. Financial liabilities:

- i) Classification, subsequent measurement and gains and losses: Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.
- ii) De-recognition: The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the profit or loss.

3. **Offsetting:** Financial assets and financial liabilities are off set 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 realize the asset and settle the liability simultaneously.

(b) Property, plant and equipment

1. **Recognition and measurement:** Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

2. **Transition to Ind AS:** On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.
3. **Subsequent expenditure:** Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
4. **Depreciation:** Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognized in the statement of profit and loss.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions / disposals is provided on a pro-rata basis i.e. from /up to the date on which asset is ready for use / disposed of.

- (c) Inventories:** Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Related items or items of the similar nature are grouped for comparison of cost and net realizable value.

(d) Impairment of assets

1. Impairment of financial assets

The Company recognizes loss allowances for financial assets measured at amortized cost using expected credit loss model.

At each reporting date, the Company assesses whether financial assets carried at amortized cost is credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset, have occurred.

For trade receivables, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

For all other financial assets, the Company measures loss allowances at an amount equal to twelve months expected credit losses unless there has been a significant increase in credit risk from initial recognition in which those are measured at life time expected credit risk.

Life time expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial asset. Twelve months expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the twelve months after the reporting date (or a shorter period if the expected life of the instrument is less than twelve months)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 360 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

- 2. Impairment of non-financial assets:** The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 amortization, if no impairment loss had been recognized.

(e) Employee benefits

- 1. Short term employee benefits:** Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.
- 2. Defined contribution plan:** A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to State plans and will have no legal or constructive obligation to pay further amounts. The Company makes contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.
- 3. Defined benefit plan:** A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's obligation in respect of defined benefit plans is calculated by estimating the amount of benefit that employees have earned in the current and prior periods.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

- (f) Provisions (other than employee benefits), Contingent Liabilities and Contingent Assets:** A provision is recognized when the Company has a present legal obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the Current best estimates.

Contingent liabilities are not recognized but are disclosed in the notes to the Financial Statements. A contingent asset is neither recognized nor disclosed if inflow of economic benefit is probable.

(g) Revenue Recognition

- 1. Sale of goods:** Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

The timing of transfers of risks and rewards varies depending on the individual terms of sale. For sale of Chemical and Nutrition products, usually such transfer occurs when the product is received at the customer's warehouse. Generally, for such products buyer has no right to return.

2. **Rendering of services:** Revenue from services rendered is recognized in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed. Under this method, revenue is recognized in the accounting periods in which the services are rendered.

(h) Recognition of dividend income, interest income

Dividend on Financial Instruments is recognized as and when realized. Interest is recognized on accrual basis.

- (i) Income tax:** Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

1. **Current tax:** Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

2. **Deferred tax:** Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets - unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets or liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on net basis or their tax assets and liabilities will be realized simultaneously.

- (j) Cash and Cash Equivalents:** Cash and Cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

- (k) Borrowing cost:** Borrowing cost are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of cost of asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

- (l) Earnings per share:** Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares outstanding during the year.

Diluted earnings per Share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equities shares outstanding during the year plus potential equity shares.

- (m) Cash Flow Statement:** Cash flows are reported using the indirect method whereby the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items 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.

(n) Commitments and contingencies

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Note - 4 Property, Plant and Equipment & Intangible Assets
(i) Property, Plant and Equipment

(Amount in Rs. in thousands)

Sr. No.	Particulars	Plant and Equipments	Furniture and Fixtures	Office Equipments	Electrical Installations	Vehicles	Software	Computer	Land	TOTAL
1	Gross Carrying Value as at April 01, 2022	5,361.286	497.482	61.232	309.625	1,333.279	20.949	-	160.000	7,743.853
	Addition during the year	-	24.400	-	-	-	27.381	107.965	-	159.747
	Gross Carrying Value as at March 31, 2023	5,361.286	521.882	61.232	309.625	1,333.279	48.330	107.965	160.000	7,903.600
2	Accumulated Depreciation as at April 01, 2022	5,015.904	459.975	44.604	295.603	795.042	18.602	-	-	6,629.730
	Addition during the year	-	11.497	6.948	-	168.091	6.995	30.581	-	224.112
	Deduction during the year	-	-	-	-	-	-	-	-	-
	Accumulated Depreciation as at March 31, 2023	5,015.904	471.472	51.552	295.603	963.133	25.597	30.581	-	6,853.842
3	Net Carrying Value as at April 01, 2022	345.382	37.507	16.628	14.022	538.237	2.347	-	160.000	1,114.123
4	Net Carrying Value as at March 31, 2023	345.382	50.410	9.680	14.022	370.146	22.733	77.384	160.000	1,049.758
	a. Title deeds of immovable property (other than property taken on lease by duly executed lease agreement) are held in the name of the company.									
	b. The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.									

		As at 31st March, 2023	As at 31st March, 2022
Note - 5 Other Financial Assets			
1	Fixed Deposit with maturity of more than 12 Months	33,930.87	19,307.57
	Total	<u>33,930.87</u>	<u>19,307.57</u>
Note - 6 Deferred Tax Assets (NET)			
1	Deferred Tax Liabilities		
	Teemporary Difference of Depreciation as per Income Tax and Provision of Gratuity	18.33	0.06
2	Deferred Tax Assets		
	Temporary Difference of carry forward of losses as per Income Tax	-	-
	Total	<u>18.33</u>	<u>0.06</u>
Note - 6A Deferred Tax liability (NET)			
1	Deferred Tax Liabilities		
	Temporary Difference of Depreciation as per Income Tax	-	-
2	Deferred Tax Assets		
	Temporary Difference of carry forward of losses as per Income Tax	-	-
	Total	<u>-</u>	<u>-</u>
Note - 7 Other Non-Current Assets			
1	Security Deposits	-	-
2	Advance given for purchase of Land	750.55	750.55
	Total	<u>750.55</u>	<u>750.55</u>
Note - 8 Inventories (As taken, valued & certified by the Management) (At lower of Cost or Net Realisable Value)			
1	Raw Materials	-	25.00
2	Finished Goods	-	-
	Total	<u>-</u>	<u>25.00</u>

(Amount in Rs. in thousands)

	As at 31st March, 2023	As at 31st March, 2022
Note - 9 Trade Receivables		
1 Trade Receivable Considered Good - Secured	-	-
Trade Receivable Considered Good - Unsecured	163.61	8,962.85
Trade Receivable which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	-	-
	<u>163.61</u>	<u>8,962.85</u>
Less: Allowance for doubtful receivables (Expected Credit Loss)	-	-
Total	<u>163.61</u>	<u>8,962.85</u>

Ageing Details

Outstanding as on 31/03/2023	<u>Disputed Trade Receivables</u>	
	Considered Good	Considered Doubtful
Outstanding Less than 6 Months-	-	-
Outstanding between 1 year to 2 Years	-	-
Outstanding between 2 years to 3 Years	-	-
Outstanding More than 3 Years	-	-
	<u>-</u>	<u>-</u>
		Total

Outstanding as on 31/03/2023

	<u>Undisputed Trade Receivables</u>	
	Considered Good	Considered Doubtful
-	-	-
Outstanding Less than 6 Months	163.61	-
Outstanding between 1 year to 2 Years	-	-
Outstanding between 2 years to 3 Years	-	-
Outstanding More than 3 Years	-	-
Total	<u>163.61</u>	<u>-</u>

Outstanding as on 31/03/2023

	<u>Disputed Trade Receivables</u>	
	Considered Good	Considered Doubtful
Outstanding Less than 6 Months	-	-
Outstanding between 1 year to 2 Years	-	-
Outstanding between 2 years to 3 Years	-	-
Outstanding More than 3 Years	-	-
Total	<u>-</u>	<u>-</u>

Outstanding as on 31/03/2023

	<u>Undisputed Trade Receivables</u>	
	Considered Good	Considered Doubtful
Outstanding Less than 6 Months	8,962.85	-
Outstanding between 1 year to 2 Years	-	-
Outstanding between 2 years to 3 Years	-	-
Outstanding More than 3 Years	-	-
Total	<u>8,962.85</u>	<u>-</u>

	As at 31st March, 2023	As at 31st March, 2022
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Note - 10 Cash & Cash Equivalents

1 Cash on Hand	87.53	96.65
2 Others		
(a) In Fixed Deposit	-	-
3 In Current Accounts		
(a) Bank of India	3,856.48	-
(b) Bhuj Bank	647.908	-
(c) SBI Bank	4,008.75	-
(d) Indus Ind Bank	90.11	-
Total	<u>8,690.78</u>	<u>96.65</u>

		(Amt. in Rs. in thousands)	
		As at 31st March, 2023	As at 31st March, 2022
Note - 11 Other Bank Balances			
1	Fixed Deposits with Banks		
	(a) More than 3 months but less than 12 months	-	-
	(b) More than 12 months	33,930.87	19,307.57
		33,930.87	19,307.57
		(33,930.87)	(19,307.57)
Total		-	-
Note - 12 Other Current Assets			
1	Advances other than capital advances		
	(a) Other Advances		
	(i) Advances to Suppliers	1,100.00	1,100.00
	(iii) Advance tax (AY 2022-23)	-	1,340.00
	(v) Advance tax (AY 2023-24)	1,675.00	-
	(vi) TDS Receivable	268.39	207.37
	(vii) TCS Receivable	158.48	10.68
2	Others		
	UGVCL	20.29	20.29
	Advance to Post Office	53.85	-
	Pre Paid UGVCL Bill	0.55	-
Total		3,276.56	2,678.34
Note - 13 Equity Share Capital			
1	AUTHORIZED SHARE CAPITAL		
	4000000 Equity Shares of Rs. 10/- each (Previous Year 4000000 Equity Shares of Rs.10/-each)	40,000.00	40,000.00
Total		40,000.00	40,000.00
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL		
	3000000 Equity Shares of Rs.10/-each fully paid up ous Year 3000000 Equity Shares of Rs. 10/-each fully paid up)	30,000.00	30,000.00
		30,000.00	30,000.00
13.1 The reconciliation of the number of Equity Shares outstanding as at 31st March 2023 is set out below.			
Particulars		As at 31st March, 2023	
		No. of shares	Amt. of Shares
Shares outstanding at the beginning of the year		3,000.00	30,000.00
Add: Shares issued during the year		-	-
Shares outstanding at the end of the year		3,000.00	30,000.00
Particulars		As at 31st March, 2022	
		No. of shares	Amt. of Shares
Shares outstanding at the beginning of the year		3,000.00	30,000.00
Add: Shares issued during the year		-	-
Shares outstanding at the end of the year		3,000.00	30,000.00
13.2 Rights, preferences and restrictions attached to Equity Shares			
The company has one class of equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per shareheld. 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, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.			
13.3 The details of shareholders holding more than 5% shares are set out below			
Name of the shareholders		As at 31st March, 2023	
		No. of Shares (in thousands)	% of holding
1	Narendraprasad C. Patel	303.900	10.13%
2	Dipak N. Patel	475.175	15.84%
Name of the shareholders		As at 31st March, 2022	
		No. of Shares (in thousands)	% of holding
1	Narendraprasad C. Patel	303.900	10.13%
2	Dipak N. Patel	459.196	15.31%

13.4 The details of shareholding of Promoters of the Company are set out below			
S. No	Promoter name	As at March 31, 2023	% Change during the year
1	Narendraprasad C. Patel	No. of Shares in thousands	
		303.90	
		% of total shares	-
		10.13	
2	Dipak N. Patel	No. of Shares in thousands	
		475.18	
		% of total shares	0.53
		15.84	
3	Arunprasad P. Patel	No. of Shares in thousands	
		0.00	
		% of total shares	(0.34)
		-	
4	Dineshchandra B. Patel	No. of Shares in thousands	
		5.10	
		% of total shares	-
		0.17	
5	Kusum N. Patel	No. of Shares in thousands	
		16.70	
		% of total shares	-
		0.56	
6	Sonali N. Patel	No. of Shares in thousands	
		14.60	
		% of total shares	-
		0.49	
7	Jatan L. Patel	No. of Shares in thousands	
		18.59	(0.34)
		% of total shares	-
		0.62	
8	Parul D. Patel	No. of Shares in thousands	
		0.10	
		% of total shares	-
		0.03	
9	Sushila L. Patel	No. of Shares in thousands	-
		% of total shares	-
		-	
10	Kusum Bhagubhai	No. of Shares in thousands	
		35.10	
		% of total shares	-
		1.17	
11	Pranay A. Patel	No. of Shares in thousands	
		4.38	
		% of total shares	(0.02)
		0.15	
12	Rahul A. Patel	No. of Shares in thousands	
		5.00	
		% of total shares	-
		0.17	
13	Leenaben A. Patel	No. of Shares in thousands	-
		% of total shares	(0.27)
		-	

(Amt. in Rs. in thousands)

14	Rakesh A. Parikh	No. of Shares in thousands	7.30	
		% of total shares	0.24	-
15	Kokilaben A. Parikh	No. of Shares in thousands	3.70	
		% of total shares	5.00	-
16	Kamlesh J. Lashkari	No. of Shares in thousands	-	
		% of total shares	0.17	-
17	Padmini N. Patel	No. of Shares in thousands	2.50	
		% of total shares	0.08	-
18	Jabal C Laskari	No. of Shares in thousands	2.40	
		% of total shares	0.08	
19	Tillotama Bhagubhai	No. of Shares in thousands	0.01	
		% of total shares	-	-
20	Suryakant B. Patel	No. of Shares in thousands	10.00	
		% of total shares	0.33	-
21	Deepesh S. Patel	No. of Shares in thousands	10.00	
		% of total shares	0.33	-
22	Dasharath R. Patel	No. of Shares in thousands	0.02	
		% of total shares	0.01	-
23	Kanubhai M. Patel	No. of Shares in thousands	12.50	
		% of total shares	0.42	-
24	Yagnesh Patel	No. of Shares in thousands	10.00	
		% of total shares	0.33	-

(Amt. in Rs. in thousands)

	As at 31st March, 2023	As at 31st March, 2022
Note - 14 Other Equity		
A Retained Earnings		
Balance as per last Financial year	(9,402.98)	(15,075.01)
Add : Profit for the year	6,934.60	5,672.03
Less: Appropriations		
B Other Comprehensive Income	-	-
Total	(2,468.38)	(9,402.98)
Note - 14A Provisions (Non-Current Liabilities)		
1 Provision for employee benefits		
Provision for Gratuity	137.31	64.04
Total	137.31	64.04
Note - 15 Borrowings		
1 Loans repayable on demand (Secured)		
(a) From Banks *		
Secured against Immovable and movable properties		
Secured against Fixed Deposits	-	2,670.28
(b) From other parties	-	-
2. Loans repayable on demand (Unsecured)		
(a) From Bank	-	-
(b) From other parties	-	-
Total	2,670.28	6,273.43
*Secured against Fixed Deposits		
Note - 16 Trade Payables		
1 Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	17,358.89	6,979.17
Total	17,358.89	6,979.17

* The Company has not received information from the Suppliers regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures, if any relating to amounts unpaid as at the balance sheet date together with interest paid or payable as per the requirement under the said Act, have not been made.

* The company has not entered in to any transaction with companies struck off under section 248 of the Companies Act,2013.

AS on 31.03.2023	MSME Trade Payables	
	Disputed	Undisputed
Outstanding Less than 1 Years	-	-
Outstanding between 1 year to 2 Years	-	-
Outstanding between 2 year to 3 Years	-	-
Outstanding More than 3 Years	-	-
Total	-	-
AS on 31.03.2023	Other than MSME Trade Payables	
	Disputed	Undisputed
Outstanding Less than 1 Years	-	17,358.89
Outstanding between 1 year to 2 Years	-	-
Outstanding between 2 year to 3 Years	-	-
Outstanding More than 3 Years	-	-
Total	-	17,358.89
AS on 31.03.2023	MSME Trade Payables	
	Disputed	Undisputed
Outstanding Less than 1 Years	-	-
Outstanding between 1 year to 2 Years	-	-
Outstanding between 2 year to 3 Years	-	-
Outstanding More than 3 Years	-	-
Total	-	-
AS on 31.03.2023	Other than MSME Trade Payables	
	Disputed	Undisputed
Outstanding Less than 1 Years	-	6,979.17
Outstanding between 1 year to 2 Years	-	-
Outstanding between 2 year to 3 Years	-	-
Outstanding More than 3 Years	-	-
Total	-	6,979.17

(Amt. in Rs. in thousands)

	As at 31st March, 2023	As at 31st March, 2022
Note - 17 Other Current Liabilities		
1 Revenue received in Advance	-	-
2 Other Advances		
(a) Advance for sale of assets	-	-
3 Creditors for expenses	-	-
4 Others*	-	-
5 Statutory dues		
- taxes payable (other than income taxes)	354.54	499.17
- Employee Recoveries and Employer Contributions	-	-
Total	354.54	499.17
* This also includes Statutory Dues		
Note - 18 Provisions (Current Liabilities)		
1 Provision for employee benefits		
Provision for Gratuity	-	-
Provision for Leave Encashment	32.00	32.00
2 Others		
Provision for Income tax	2,466.10	2,093.47
Provision for Expense	-	-
Total	2,498.10	2,125.47
(Amt in Rs. in thousands)		
Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Note - 19 Revenue from Operations		
1 Sale of Products	166,292.56	78,012.62
2 Other Operating revenue		
(a) Commission	990.00	1,460.00
Total	167,282.56	79,472.62
Note - 20 Other Income		
1 Interest Income	1,369.14	753.65
2 Other Non Operating Income		
(a) Insurance Claim Received	25.30	-
(b) MAT Income	77.88	-
(c) Miscellaneous Income	0.00	0.02
Total	1,472.33	753.67
Note - 21 Cost of Materials Consumed		
Opening Stock	25.00	25.00
Add : Purchases	144,392.32	61,294.42
Sub Total	144,417.32	61,319.42
Less: Closing Stock	-	25.00
Total	144,417.32	61,294.42
Note - 22 Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress		
Finished Goods		
Opening Stock	-	6.21
Less: Closing Stock	-	6.21
Total	-	6.21
Note - 23 Employee Benefits Expense		
1 Salaries and Wages	5,344.14	2,620.61
Total	5,344.14	2,620.61
Note - 24 Finance Costs		
1 Interest Expense		
Interest Charges	93.90	148.69
Bank Charges	4.38	8.96
Total	98.28	157.65

Particulars	(Amt in Rs. in thousands)	
	Year ended 31st March, 2023	Year ended 31st March, 2022
Note - 25 Other Expenses		
1 Travelling and Conveyance	340.83	230.60
2 Telephone Expense	10.76	10.77
3 Electricity & Power Expense	10.87	7.44
4 Stationery and Printing Expense	115.78	36.95
5 Payment to Auditors as Auditor: Statutory Auditor	- -	- -
In other capacity: For Other Services	35.00 -	35.00 -
6 Listing Fees	300.00	300.00
7 ROC Fees	43.76	26.10
8 Director's Sitting Fees	34.00	12.00
9 Rent Expense	252.00	412.00
10 Professional Charges	46.00	51.30
11 Legal Fees & Professional Fees	1,051.47	1,139.71
12 Miscellaneous Expenses	560.83	647.88
13 TDS Interest & Penalty	-	0.38
14 Account Fees	19.50	69.50
15 Insurance Expense	121.79	64.80
16 Advertisement, Promotion & Selling Expenses	33.20	34.20
17 Courier Charges	22.05	41.28
18 Cash Discount Exp.	743.35	457.84
19 Freight Ex	1,381.13	897.28
20 Factory Exp	21.51	14.65
21 Laboratory Charges	-	7.80
22 Marketing Expenses	94.01	87.82
23 Interest on Income Tax	49.10	-
24 Donation Expenses	-	100.00
25 Commission Exp	3,940.00	3,380.00
26 Postage Expense	46.72	0.01
27 Web Site Exp	14.94	10.25
Total	9,288.60	8,075.56
Note - 26 Earning Per Share		
1 Net Profit attributable to the Equity Shareholders	6,935	5,672
2 Weighted average number of Equity Shares outstanding during the period	3,000.00	3,000.00
3 Nominal value of Equity Shares (Rs. in thousands)	10.00	10.00
4 Basic/Diluted Earnings per Share (Rs. in thousands)	2.31	1.89

Note - 27 Related party disclosures
(A) Key management personnel:

Sr. No.	Name	Designation
1	Dipak N. Patel	Managing Director
2	Khyati Vyas	Company Secretary

(B) Other related parties:

Sr. No.	Particulars	Nature of relationship
1	Parul D. Patel	Relatives of key management personnel
2	Nirmit D. Patel	
3	Kusum N Patel	

27.1 Disclosures of Transactions between the Company and Related Parties and the status of outstanding balances as on March 31, 2023:
Related Party Transaction details

Sr. No.	Key management personnel & Relatives	Remuneration & Perquisites	
		2022-23	2021-22
1	Dipak Narendraprasad Patel (Director)	2,493.05	1,128.12
2	Parul Dipak Patel (Relative of Director)	712.80	486.00
3	Nitinkumar Shantilal Shah (Director)	203.00	240.00
4	Binaben Parasbhai Patel (Director)	-	40.00
5	Khyati Dipakkumar Vyas (CS)	634.50	504.00
Sr. No.	Key management personnel & Relatives	Loan Received	
		2022-23	21-22
1	Dipak Narendraprasad Patel (Director)	-	2,500.00
Sr. No.	Key management personnel & Relatives	Loan Repaid	
		2022-23	2021-22
1	Dipak Narendraprasad Patel (Director)	-	3,600.00

Outstanding
(Amt. in Rs. in thousands)

Sr. No.	Key management personnel & Relatives	As at 31st	As at 31st
		March, 2023	March, 2022
		Unsecured	Unsecured
1	Dipak Narendraprasad Patel (Director) (Remuneration)	212.27	153.12
2	Dipak Narendraprasad Patel (Director) (Loan)	-	-
3	Parul Dipak Patel (Relative of Director) (Remuneration)	153.19	126.00
4	Nitinkumar Shantilal Shah (Director) (Remuneration)	60.40	-
5	Binaben Parasbhai Patel (Director) (Remuneration)	1.00	56.00
6	Khyati Dipakkumar Vyas (CS) (Remuneration)	171.30	141.00

27.2 Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:
(Amt. in Rs. in thousands)

Sr. No.	Description	Year ended	Year ended
		31st March, 2023	31st March, 2022
1	Directors' Remuneration and perquisites (Mr Dipak N Patel)	2,493.05	1,128.12

Note - 28 Operating Segment
(a) Information about Reportable segment:

The Company operates mainly in manufacturing of Nutrition Chemical products. Hence there are no separate reportable Segment.

(b) Major customers

The details of the major customers generating more than or equal to 10% of the total revenue for the year are given in the following table.

Sr. No.	Amount of revenue (in Rs.)	Percentage of total revenue%
1	160065.06	96.26
Total	160065.06	96.26

(A) Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, comprise loans and borrowings and 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 derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and ensures that Company's financial risks are identified, measured and governed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk that affects the Company comprises of one element: Interest rate risk. Financial instruments affected by market risk include loans, borrowings and deposits.

Interest Rate Risk

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

(ii) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities including deposits with banks and other financial instruments.

Trade Receivables

Customer credit risk is managed by the Company's policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset disclosed in respective note. The Company does not hold collateral as security.

Cash deposits

Credit risk from balances with banks is managed by the Company in accordance with its policies. These policies are set to minimize concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(iii) Liquidity Risk

The Company manages its liquidity risk by using liquidity planning and balancing funds requirement vis a vis funds available. Various lines of credit available are used to optimize funding cost and ensuring that adequate funds are available for business operations.

(B) Capital Risk Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to equity shareholders.

The Company monitors capital using a ratio of adjusted net debt to equity. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Equity comprises all components of equity.

The Company's policy is to keep the ratio below 2.00. The Company's adjusted net debt to equity ratio at 31st March, 2023 was as follows:

Particulars	Year ended	Year ended
	31st March, 2023	31st March, 2022
Total liabilities	20,348.84	12,338.12
Less : Cash and cash equivalents	(8,690.78)	(96.65)
Adjusted net debt	11,658.06	12,241.47
	=====	=====
Equity	27,531.62	20,597.02
Equity	27,531.62	20,597.02
---	27,531.62	20,597.02
Adjusted net debt to equity ratio	0.42	0.59

Note - 30**Additional Disclosure (Other than IND AS Disclosure)**

- a. there were no transactions that were not recorded in books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- b. the Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- c. during the year under consideration the company has not traded or invested in crypto currency or virtual currency.
- d. there are no charges or satisfaction of charges pending to be registered with registrar of companies beyond the statutory period.
- e. The company has been not declared as willful defaulter by Reserve Bank of India till 31.03.2023.
- f. the Company has not advanced or loaned or invested funds to any 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
- g. 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.
- h. The Company has complied with the no. of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on no. of layers) Rules, 2017
- i. the borrowings from the banks has been used for the specific purpose for which it was taken at the balance sheet date.
- j. the Company is not covered under the provisions of Corporate Social Responsibility (CSR)
- k. borrowing cost attributable to the acquisition or construction of Qualifying Assets amounting to Rs. Nil (Previous Year Rs. Nil) is capitalized by the company.

Note - 31

Previous Year's figures have been regrouped / reclassified wherever necessary to confirm to current year presentation.

The accompanying Notes 1 to 32 are integral part of these Financial Statements.

As per our report of even date attached.

For Samir M Shah & Associates

Chartered Accountants
Firm Regn No. 122377W

sd/-

Samir Shah

Partner
Membership No. 111052

Place : Ahmedabad
Date : May 15, 2023

For and on behalf of the Board of Directors

sd/-

Dipak N. Patel
Managing Director
(DIN – 02052080)

sd/-

Khyati Vyas
(Company Secretary)

Place : Ahmedabad
Date : May 15, 2023

sd/-

Rajesh Mody
Director
(DIN - 02054117)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	(Amt in Rs. in thousands)	
	Year ended 31st March, 2023	Year ended 31st March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	9,382.43	7,812.14
Adjustment for:		
Interest and Finance Charges	98.28	157.65
Depreciation (Including adjusted to General Reserve)	224.11	259.72
Interest Income	(1,369.14)	(753.65)
	8,335.68	7,475.86
Working Capital Adjustments:		
(Increase) / decrease in trade receivables	8,799.23	5150.97
(Increase) / decrease in inventories	25.00	6.21
(Increase) / decrease in other current asset	(598.22)	414.12
Increase / (decrease) in trade payables	10,379.72	3209.30
Increase / (decrease) in Short term borrowings	(2,670.28)	-3603.15
Increase / (decrease) in other current liability	(144.63)	-374.88
Increase / (decrease) in provisions (current)	372.63	-1518.05
Increase / (decrease) in provisions (noncurrent)	73.27	-370.26
Cash Generated From operating activities	24,572.41	10,390.13
Income tax paid (net)	(2,466.10)	(2,201.78)
Net cash used in operating activities (A)	22,106.31	8,188.35
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Interest Received	1,369.14	753.65
Advance given for purchase of Fixed Assets	-	-
Proceeds on maturity of Fixed Deposits	22,749.67	9400
Investment in Fixed Deposits	(37,372.97)	-18428.95
Capital expenditure on fixed assets, including capital advances	(159.75)	(4.00)
Net cash from investing activities (B)	(13,413.90)	(8,279.30)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest and Finance Charges paid	(98.28)	(157.65)
Net cash flow from Financing Activities (C)	(98.28)	(157.65)
Net Increase/ (Decrease) In Cash & Cash Equivalents Total (A+B+C)	8,594.126	(248.60)
Add : Cash and Cash Equivalents Opening Balance	96.65	345.26
Cash and Cash Equivalents Closing Balance	8,690.78	96.65

The accompanying Notes 1 to 32 are integral part of these Financial Statements.

The Company has used profit or loss after tax as the starting point for presenting operating cash flows using the indirect method. In our view, the statement can also be prepared with profit or loss before tax as the starting point.

As per our report of even date attached.

For Samir M Shah & Associates

Chartered Accountants

Firm Regn No. 122377W

sd/-

Samir Shah

Partner

Membership No. 111052

Place : Ahmedabad

Date : May 15, 2023

For and on behalf of the Board of Directors

sd/-

Dipak N. Patel

Director

(DIN – 02052080)

sd/-

Khyati Vyas

(Company Secretary)

sd/-

Rajesh Mody

Director

(DIN - 02054117)

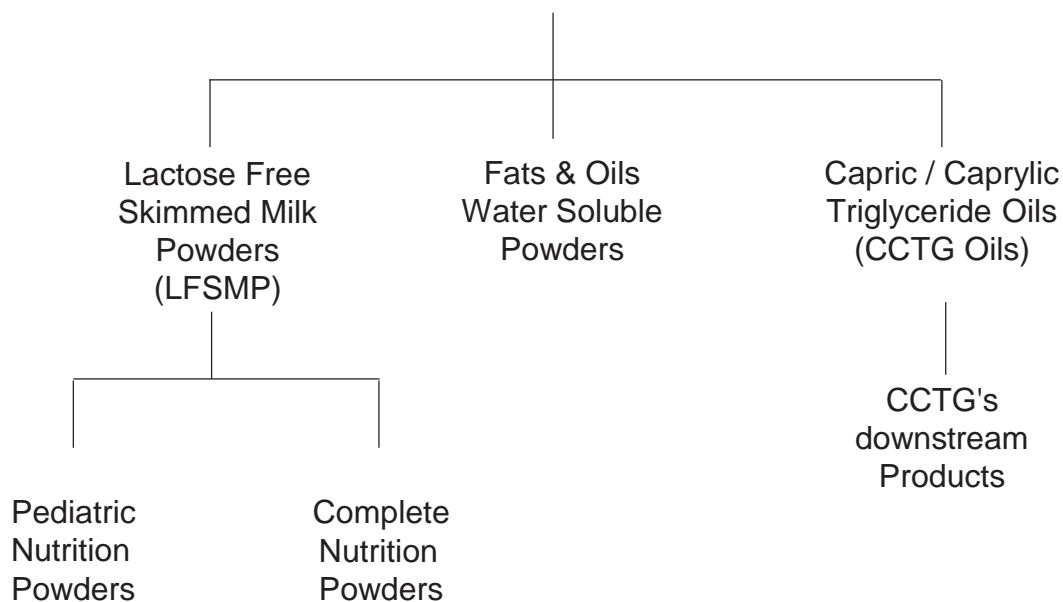
Place : Ahmedabad

Date : May 15, 2023

32 Details in respect of Analytical Ratios of the Company

Sr. No.	Particulars	Numerator Description	Denominator Description	For the Year 2022-23			For the Year 2021-22			% of Variance	Reason for Variance
				Numerator	Denominator	Ratio	Numerator	Denominator	Ratio		
1	Current Ratio	Current Assets	Current Liabilities	12,130.955	20,211.531	0.600	11,762.841	12,274.085	0.958	-37.371%	There is decrease in outstanding Receivables and increase in Cash and Bank Balances so reduced compare to last year
2	Debt - Equity Ratio	Total Debts	Shareholders Equity	20,348.838	27,531.625	0.739	12,338.124	20,597.024	0.599	23.385%	There is increase in debt so ratio increased compare to last year
3	Debt Service Coverage Ratio	Earning available for Debt services	Debt Service	7,256.996	NA	NA	6,089.408	NA	NA	NA	-
4	Return on Equity Ratio	PAT Less Preference Dividend	Average of Shareholder Equity	6,934.601	30,000.000	0.231	5,672.034	30,000.000	0.189	22.260%	There is sharp increase in profit so ratio increased compare to last year
5	Inventory turnover Ratio	Sales	Average Inventory	166,292.560	-	NA	78,012.621	0.003	25,136,981.150	NA	Company on purchases immediately books Sales transactions, So there was no inventory Practically
6	Trade Receivables turnover Ratio	Net Credit Sales	Average Trade Receivables	166,292.560	4,563.230	36.442	78,012.621	11,538.333	6.761	438.988%	There is sharp increase in Sales so ratio increased compare to last year
7	Trade payables turnover Ratio	Net Credit Purchase	Average Trade Creditors	144,392.323	12,169.032	11.866	61,294.415	5,374.525	11.405	4.042%	-
8	Net Capital turnover Ratio	Net Sales	Working Capital	166,292.560	-8,080.576	(20.579)	78,012.621	-511.244	(152.594)	-86.514%	There is decrease in outstanding Receivables and increase in Cash and Bank Balances so reduced compare to last year
9	Net Profit Ratio	Net Profit	Net Sales	6,934.601	166,292.560	0.042	5,672.034	78,012.621	0.073	-42.645%	There is increase in sales so reduced compare to last year
10	Return on Capital employed	PBIT	Capital Employed	9,480.714	27,531.625	0.344	7,969.788	20,597.024	0.387	-11.005%	There is increase in reserves and surplus so reduced compare to last year
11	Return on investment (Capital Gain Method on Face Value)	Share Price at the end of day Less share price on the beginning of day	share price on the beginning of day	79.440	43.000	1.847	13.500	27.500	0.491	276.331%	Due to the volatility of the market so there is fluctuation in ratio

OUTLINES OF THE EXISTING AND FUTURE PRODUCTS & PROJECTS ENVISAGED BY THE COMPANY



If undelivered, please return to :



CIN : L24100GJ1991PLC015530

REGISTERED OFFICE

Sr. No. 550/1, Sub Plot Number 12, Village Indrad, Taluka – Kadi,
District – Mehsana, Pin Code – 382 715

Tel : (0264) – 278247 / 9409119484 E-mail : info@crestchemlimited.in

Website : www.crestchemlimited.in

CORPORATE OFFICE

330B Central Business Space, Opp. Fortune Landmark Hotel,
Opp. HDFC Bank, Near Usmanpura Cross Road, Ahmedabad -380013,
079- 46008164/ 09023018979