

॥ श्री शंभेश्वर पार्श्वनाथाय नमः ॥



Decide with Confidence

YASH

CHEMEX LIMITED



(MSME No. GJ01A0020654)

IMPORTERS & EXPORTERS OF DYES, INTERMEDIATES & CHEMICALS

Regd. Office : 411, 4th Floor, Sigma Icon-1, Opp. Medilink Hospital, 132ft. Ring Road, Satellite, Ahmedabad-380015.
Ph. : 91-79-26 73 0257, 4002 8639 email : yashchem@hotmail.com Web : www.yashchemex.com
CIN : L74110GJ2006PLC048385

Ref. No. :

September 01, 2023

Date :

To,
The General Manager,
The BSE Limited
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort,
Mumbai-400001.

Scrip Code: 539939

Sub: Submission of the 17th Annual Report of the Company for the Financial Year 2022-23 under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Dear Sir/Madam,

We would like to inform you that the 17th Annual General Meeting ('AGM') of the Yash Chemex Limited ("the Company") will be held on Tuesday, September 26, 2023 at 04:00 p.m. (IST) at the Registered Office of the Company situated at 4th floor, 411 Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015, Gujarat, inter alia, to transact the businesses stated in the Notice.

Pursuant to Regulations 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we hereby submitting 17th Annual Report of the Company along with all its Statutory reports as circulated to the members through electronic mode. The Annual Report containing the Notice is also uploaded on the Company's website and can be accessed at www.yashchemex.com

We request you to take the same on record.

Yours faithfully,

For Yash Chemex Limited



Riddhi Shah
Company Secretary and Compliance Officer
M. No: A70953

Encl: As above



ANNUAL REPORT 2022-23

17th AGM

Annual Report
2022-23

YASH CHEMEX LIMITED

CIN: L74110GJ2006PLC048385

Registered Office

411, Sigma Icon -1, 132ft Ring Road, Opp. Medilink Hospital, Satellite
Ahmedabad, Gujarat- 380015, India

Website: www.yashchemex.com

E mail ID: cs@yashchemex.com

E mail ID: cs@yashchemex.com

Website: www.yashchemex.com



Introduction Of Yash Chemex Limited and Other Group Entities

Mr. Pritesh Y Shah is the founder and promoter of Yash Chemex limited. In the year 1990, he started this business as sole proprietor of Yash Chem. The quality of products and services provided by us, customer relations and market reputation resulted in the immense growth of our business. Hence, with a view to expanding our business, in the year 2006, Yash Chemex Private Limited was incorporated and converted into Yash Chemex Limited in the year 2016.

The company has been known as the leading company offering fine and specialist chemicals which are widely used in various industries. We have always exceeded the expectations of all our clients with our products and services. Ever since the company was founded, we have climbed the ladder of success. Our clientele has increased more than ever before since the day it was started.

Transformative Innovation for Dyes and Intermediary Industries – With this visionary motto, Yash Chemex Limited was incorporated in 2006. Headquartered in Ahmedabad, Yasons Chemex Care Limited is also better known to the world through their registered brand name PLXO. Keeping up with the growing demand in the sector, the mother unit further acquired Rishit Polysurf LLP, which has been promoted by industry thinkers Mr. Pritesh Shah and Mr. Yashvant Shah.

As indigenous Indian players, Yasons Chemex Care Limited & Rishit Polysurf LLP with expertise across manufacturing & production of Specialty chemicals & FMCG products. Taking a leaf from the slow growth of the Indian chemical industry, Yasons Chemex Care Limited has initiated research & production of exclusively customized products to cater to dyes and intermediary industries in the country & expand exports in coming years.



MISSION

At Yash Chemex, our mission is to add value to the services which we offer to our customers or clients. We also aim to achieve more targets every year to enjoy constant growth to serve more and more clients from every industry. We believe in following the industry's standards to fulfil all our missions and aims to make a great difference in our products and services. Our team of professionals always work towards the mission of the company.

VISION

Our vision is to achieve the topmost place in the respective industry by abiding the rules of regulations of the industry. We want to cater to needs of clients from different industry by keeping our level of services the highest quality. Most importantly, we want to make the difference in the life of all of clients with the quality of our chemicals. Our team of professionals are always ready to take up the challenges of the industry with their in-depth knowledge and expertise.

Financial Highlights

**2022-23 Key Figures
Consolidated**

Revenue

Rs.9141.91 Lakhs

EBITDA

Rs.472.27 Lakhs

Net Profit

Rs. 381.59 Lakhs

❖ MESSAGE FROM MANAGING DIRECTOR

I, Pritesh Yashwantlal Shah, Managing Director and CFO (Chief Financial Officer) of the Company feeling extremely proud and at the same time feeling great privilege to me to introduce our Company.

During the F.Y. 2022-23 our Subsidiary Company Yasons Chemex Care Limited has launched SME IPO on July, 2023 and issued 51,42,000 Equity Shares of Rs.10 each at the issue price of Rs. 40/- Each and Company is recently Listed as on 03rd August, 2023 on SME platform of National Stock Exchange of India Limited.

The Purpose of Launching this IPO is to fulfil the working Capital requirements and to expand the business for the upcoming Five Years of the Company.

Apart from Launching Initial Public Offer of Yasons Chemex Care Limited, Your Company has Purchased Plot at the Saykha GIDC. Project of Purchase of Land is to Start Manufacturing activities at the Plot.

Before I Conclude, I would like to thank all of you for your valuable presence and faith in the Company as well as for showing Confidence and trust in management capabilities of Yasons Chemex Care Limited.

With best wishes,

Yours Sincerely

Sd/-

Pritesh Yashwantlal Shah

Managing director

DIN: 00239665



ANNUAL REPORT 2022-23

INDEX

Particulars	Page No.
Corporate Information	1
Notice	2-29
Board of Director's Report	30-49
Annexure A: Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures in Form AOC -1	50-51
Annexure B: Form AOC-2	52-53
Annexure C: Secretarial Audit Report of Yash Chemex Limited	54-60
Annexure C: Secretarial Audit Report of Yasons Chemex Care Limited(Subsidiary Company)	61-66
Annexure D: Statement of Particulars as Per Rule 5(1) of the Companies (Appointment and Remuneration Of Managerial Personnel) Rules, 2014	67-68
Corporate Governance Report	69-113
Annexure E: Certificate on Non-Disqualification of Directors	114-115
Annexure F: Certificate on Compliance with The Corporate Governance Requirements Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	116
Annexure G: Management Analysis & Discussion Report	117-123
Independent Auditors' Report on Standalone Financial Statements	124-137
Standalone Balance Sheet	138
Standalone Statement of Profit & Loss	139
Standalone Cash Flow Statement	140
Standalone Statement of Changes in Equity for the year ended on March 31,2023.	141
Notes to forming part of Financial Statements	142-174
Independent Auditors' Report on Consolidated Financial Statements	175-183
Consolidated Balance Sheet	184
Consolidated Statement of Profit & Loss	185
Consolidated Cash Flow Statement	186
Consolidated Statement of Changes in Equity for the year ended on March 31,2023.	187
Notes to Consolidated Accounts forming part of Financial Statements	188-227
Attendance Slip & Proxy Form	228-237
Route Map	238



ANNUAL REPORT 2022-23

CORPORATE INFORMATION BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Mr. Yashwantlal C. Shah - (Cessation w.e.f 30 th January,2023)	Chairman and Whole time Director
Mr. Pritesh Y. Shah -	Managing Director and CFO
Mrs. Dimple P. Shah -	Director and Chairperson
Mr. Jinal D. Shah -	Independent Director
Ms. Angee R. Shah -	Independent Director
Mr. Rushabh A. Shah -	Independent Director

COMPANY SECRETARY

MRS. Charmi V. Shah (Upto 12th January,2023)
MS. Riddhi D. Shah (From 10th April,2023)

AUDIT COMMITTEE

Mr. Jinal D. Shah: Chairman
Mr. Pritesh Y. Shah: Member
Ms. Angee R. Shah: Member
Mr. Rushabh A. Shah: Member

SHAREHOLDER'S RELATIONSHIP COMMITTEE

Mr. Jinal D. Shah: Chairman
Ms. Angee R. Shah: Member
Mr. Rushabh A. Shah: Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Jinal D. Shah: Chairman
Ms. Angee R. Shah: Member
Mr. Rushabh A. Shah: Member

AUDITORS OF THE COMPANY

M/S. H S K & CO LLP.
Chartered Accountants
410, The Grand Mall, Opp. C.N Vidya Vihar,
S.M. Road, Ambavadi, Ahmedabad-15.

REGISTERED OFFICE

411, Sigma Icon-1, 132ft Ring Road
Opp. Medilink Hospital, Satellite
Ahmedabad-380015
Tel. No.: 079- 40028639
Website: www.yashchemex.com

INTERNAL AUDITOR

M/s. Viral H. Shah & Co,
Chartered Accountants
A/103, Sun-Beam Association,
Near DR Suman Shah no Bungalow,
Juna Sharda Mandir Road,
Elisbridge, Ahmedabad- 380006

SECRETARIAL AUDITOR

M/s. Yashree Dixit & Associates,
Practicing Company Secretary
801-802,8th Floor, Abhijeet-1
Near Mithakhali Six Road,
Navrangpura,Ahmedabad-09

BANKERS OF THE COMPANY

YES Bank Limited, Ahmedabad
Axis Bank Limited , Ahmedabad

REGISTRAR & SHARE TRANSFER AGENT

BIG SHARE SERVICES PVT. LTD.
1st Floor Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai-400059.
Tel: 022 62638200 Fax: 022 62638299
www.bigshareonline.com



ANNUAL REPORT 2022-23

NOTICE is hereby given that the **17TH (SEVENTEENTH) ANNUAL GENERAL MEETING** of the Members of **YASH CHEMEX LIMITED** will be held on Tuesday, September 26, 2023 at 04:00 P.M. The venue of the meeting shall be the registered office of the company at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad to transact the following **BUSINESS**.

ORDINARY BUSINESSES

1. **To receive, consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements of the Company for the Financial Year (F.Y.) ended March 31, 2023 and the Reports of the Board of Directors and the Statutory Auditors thereon, including Annexures thereto.**
 - a. **“RESOLVED THAT** the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2023, and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.
 - b. **“RESOLVED THAT** the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2023, and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.
2. **To appoint a director in place of Mr. Pritesh Y. Shah (DIN:00239665), who retires by rotation and being eligible, offers himself for re-appointment.**

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, **Mr. Pritesh Y. Shah (DIN:00239665)**, who retires by rotation at this meeting, be and is hereby re-appointed as a Director of the Company.”

SPECIAL BUSINESSES

3. **To Appoint Mrs. Dimple Pritesh Kumar Shah (DIN: 06914755) as a Whole time Director**

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 and 203 and all other applicable provisions, if any, read with Schedule V to the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of

members be and is hereby accorded for the appointment of Mrs. Dimple Pritesh Kumar Shah having (DIN 06914755) as Whole time Director of the Company for a period of 5 years, who hold the office from 31st August,2023 to 30th August,2028 with the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting and as recommended by Nomination and Remuneration Committee ("Committee") and approved by the Board, with liberty to the Board of Directors (including Committee) to alter and vary the terms and conditions of the said appointment /remuneration in such manner as deemed fit necessary.

RESOLVED FURTHER THAT where in any financial year during her tenure, the Company has no profits or its profits are inadequate, the remuneration payable to Mrs. Dimple Pritesh Kumar Shah, Whole Time Director by way of salary, perquisites and allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with the Whole Time Director.

RESOLVED FURTHER THAT Mrs. Dimple Pritesh Kumar Shah, Whole Time Director be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him subject to the supervision and control of the Board.

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

4. To Approve loans, investments, guarantees or security under Section 185 of Companies Act, 2013

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

"RESOLVED THAT pursuant to Section 185 and all other applicable provisions, if any, of the Companies Act, 2013, read with the relevant Rules thereof (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board") for making of loan(s) including loan represented by way of Book Debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/ to be taken by any person in whom any of the directors of the company is interested as defined under Section 185 of the Act provided that the aggregate amount of loan and guarantee given and security provided pursuant to this resolution shall not at any time exceed Rs. 100 Crores.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute direction may deem necessary or desirable and its decision shall be final and binding.”

5. To make loans or investments and to give guarantees or to provide security in connection with a loan made under Section 186 of the Companies Act, 2013.

To consider and if thought fit, to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Rules thereof (including any statutory modification(s) or re-enactment(s) thereof for the time being in force consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”) (i) to give any loans to any person or other body corporate, or (ii) give any guarantee or to provide security in connection with a loan to any other body corporate or person, or (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty percent of Company’s Paid-up capital and its free reserves and securities premium account or one hundred percent of its free reserves and securities premium account whichever is higher as the Board of Directors may think fit, provided that the total loans or investments made, guarantee given, securities provided and acquire any other security shall not any time exceed Rs. 100 Crores.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute direction may deem necessary or desirable and its decision shall be final and binding.”

6. To Consider and Approve the Related Party Transaction regarding Purchase and Sale with Yasons Chemex Care Limited

To consider and if thought fit to pass with or without modification(s) the following resolution on as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 of Companies Act, 2013, and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), the Companies (Meetings of Board and its Powers) Rules, 2014 and such other rules as maybe applicable and amended from time to time and Regulation 23(9) of Securities and Exchange Board of India



ANNUAL REPORT 2022-23

(Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended from time to time ("Listing Regulations"), consent of the members of the Company be and is hereby accorded for Material Related Party Transactions to be entered into by Company with Yasons Chemex Care Limited for purchase/sale of goods and supply of goods and materials up to 20 Crores for Financial Year 2023-24 as set out in explanatory statement annexed to the notice.

RESOLVED FURTHER THAT the Board of Directors of the Company be and hereby authorized to determine and finalize the terms & conditions related thereto from time to time and all other matters arising out of the incidental to the transactions and generally to do all acts, deeds, matters, and things including variation in the amount that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution."

7. To Consider and Approve the Related Party Transaction with Yash Chem:

To consider and if thought fit to pass the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to provisions of Section 188(1)(a) of Companies Act, 2013, and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), the Companies (Meetings of Board and its Powers) Rules, 2014 and such other rules as maybe applicable and amended from time to time and Regulation 23 of Securities and Exchange Board of India (LODR) Regulations, 2015, ("Regulations"), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to approve Related Party Transactions entered by the Company as defined under section 188 of the Companies Act, 2013 with Yash Chem for purchase/sale of goods and materials not exceeding Rs. 9 Crores for the financial year 2023-24.

RESOLVED FURTHER THAT the Board of Directors of the Company be and hereby authorized to determine and finalize the terms & conditions related thereto from time to time and all other matters arising out of the incidental to the transactions and generally to do all acts, deeds, matters and things including variation in amount that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution."

8. To Consider and Approve the Related Party Transaction with Yash Corporation:

To consider and if thought fit to pass the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to provisions of Section 188(1)(a) of Companies Act, 2013, and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), the Companies (Meetings of Board and its Powers) Rules, 2014 and such other rules as maybe applicable and amended from time to time and Regulation 23 of Securities and Exchange Board of India (LODR) Regulations, 2015, ("Regulations"), the consent of the members of the Company be and is hereby

accorded to the Board of Directors of the Company to approve Related Party Transactions entered by the Company as defined under section 188 of the Companies Act, 2013 with Yash Corporation for purchase/sale of goods and materials not exceeding Rs. 9 Crores for the financial year 2023-24.

RESOLVED FURTHER THAT the Board of Directors of the Company be and hereby authorized to determine and finalize the terms & conditions related thereto from time to time and all other matters arising out of the incidental to the transactions and generally to do all acts, deeds, matters and things including variation in amount that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution.”

9. To Consider and Approve the Related Party Transaction with Rishit Polysurf LLP:

To consider and if thought fit to pass the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to provisions of Section 188(1)(a) of Companies Act, 2013, and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), the Companies (Meetings of Board and its Powers) Rules, 2014 and such other rules as maybe applicable and amended from time to time and Regulation 23 of Securities and Exchange Board of India (LODR) Regulations, 2015, (“Regulations”), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to approve Related Party Transactions entered by the Company as defined under section 188 of the Companies Act, 2013 with Yash Corporation for purchase/sale of goods and materials not exceeding Rs. 10 Crores for the financial year 2023-24.

RESOLVED FURTHER THAT the Board of Directors of the Company be and hereby authorized to determine and finalize the terms & conditions related thereto from time to time and all other matters arising out of the incidental to the transactions and generally to do all acts, deeds, matters and things including variation in amount that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution.”

10. To Consider and Approve the Related Party Transaction with R. J. CHEM:

To consider and if thought fit to pass the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to provisions of Section 188(1)(a) of Companies Act, 2013, and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), the Companies (Meetings of Board and its Powers) Rules, 2014 and such other rules as maybe applicable and amended from time to time and Regulation 23 of Securities and Exchange Board of India (LODR) Regulations, 2015, (“Regulations”), the consent of the members of the Company be and is



ANNUAL REPORT 2022-23

hereby accorded to the Board of Directors of the Company to approve Related Party Transactions entered by the Company as defined under section 188 of the Companies Act, 2013 with Yash Corporation for purchase/sale of goods and materials not exceeding Rs. 20 Crores for the financial year 2023-24.

RESOLVED FURTHER THAT the Board of Directors of the Company be and hereby authorized to determine and finalize the terms & conditions related thereto from time to time and all other matters arising out of the incidental to the transactions and generally to do all acts, deeds, matters and things including variation in amount that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution.”

**For & on behalf of the Board of Directors
Yash Cemex Limited**

Date: 01st September, 2023

Place: Ahmedabad

SD/-

**PRITESH YASHWANTLAL SHAH
Managing Director
DIN: 00239665**

Registered Office:

411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital,
Satellite, Ahmedabad-380015.

Tel. No.: 079- 40028639

Website: www.yashchemex.com;

Email: cs@yashchemex.com

CIN: L74110GJ2006PLC048385

NOTES:

1. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, **September 18, 2023 to Tuesday, September 26, 2023** (both days inclusive) for annual closing.
2. IN TERMS OF SECTION 105 OF THE COMPANIES ACT, 2013 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding 50 [fifty] and holding in aggregate not more than ten (10) per cent of the total share capital of the Company. In case proxies proposed to be appointed by a Member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any such other person or shareholder.
3. In line with MCA Circulars and SEBI Circulars, the Annual Report for the financial year 2022-23 along with Notice of 17thth AGM of the Company inter-alia indicating the process and manner of e-voting are being sent only by electronic mode to those members whose email IDs are registered with the Company/Depository Participant(s) for communication. Members may note that the aforesaid documents may also be downloaded from the Company's website www.yashchemex.com and the website of Bombay Stock Exchange of India Limited In line with MCA Circulars, the Company has enabled a process for the limited purpose of receiving the AGM Notice and Annual Report (including remote e-voting instructions) electronically.
4. The relative Explanatory Statement (For Point No. 2 to 10), pursuant to Section 102 of the Companies Act, 2013 ("the Act"), setting out the material facts relating to special businesses to be transacted at the 17th (SEVENTEENTH) Annual General Meeting, as set out in this Notice is annexed hereto.
5. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Act, will be available for inspection by the Shareholders at the AGM.
6. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by "Central Securities Depository Limited" (CDSL). The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not

already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.

7. The e-voting rights of the Members/beneficial owners shall be reckoned in proportion to ordinary shares held by them in the Company as on 18th September, 2023 (cut -off date fixed for this purpose). The Company has appointed Ms. Yashree Dixit, Practicing Company Secretary (COP:19206), to act as the Scrutinizer, for conducting the scrutiny of the votes cast.
8. Pursuant to the requirement of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 issued by The Institute of Company Secretaries of India, the brief profile/particulars of the Director of the Company seeking their re-appointment at the AGM are stated at the end of the Explanatory Statement annexed hereto.
9. SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE AGM INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A SHARHOLDER OF THE COMPANY.
10. During the period beginning 24 (Twenty-Four) hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a Shareholder would be entitled to inspect the proxies lodged with the Company at any time between the business hours at the Registered Office of the Company, provided that not less than 3 (Three) days’ of notice in writing is given to the Company.
11. **Dispatch of Annual Report through Electronic Mode:** In compliance with the MCACirculars and SEBI Circular dated May 13, 2022, Notice of the AGM along with the Annual Report 2022-2023 being sent only through electronic mode to those Members whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company’s website www.yashchemex.com, websites of the Stock Exchanges, that is, BSE Limited at www.bseindia.com, and on the website of Company’s Registrar and Transfer Agent, Bigshare service Pvt Ltd at www.bigshareonline.com. Shareholder(s)/ Proxy(ies) /Authorised Representative(s) should bring/are requested to bring the duly filled in Attendance Slip enclosed herewith to the AGM mentioning therein details of DP ID and Client ID.

12. In terms of section 152 of the Companies Act, 2013, Mr. Pritesh Y. Shah (DIN: 00239665), Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the company recommends his re-appointment.
13. The Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Shareholders during the AGM.
14. All documents in connection with the accompanying Notice are available for inspection at the Registered Office of the Company from 10.00 a.m. (IST) to 4.00 p.m. (IST) on all days except Saturday, Sunday and Public Holidays, up to the date of the AGM.
15. Shareholders holding shares in dematerialized form are requested to direct changes, if any, pertaining to their name, email address, telephone / mobile numbers, address and bank account details including change in bank account number, IFSC, MICR Code, name of bank and branch details, to their respective Depository Participants.
16. Pursuant to Sections 101 and 136 of the Act read with relevant Rules framed thereunder, companies can serve Annual Reports and other communications through electronic mode to those Shareholders who have registered their e-mail address either with the Company or with the Depository Participant(s). Shareholders holding shares in dematerialised form are requested to register their e-mail address with their Depository Participant(s). In case of any change, the Shareholders are requested to update their e-mail address with the Depository Participant(s) to enable the Company to send electronic communications.
17. Shareholders of the Company who have registered their e-mail address are also entitled to receive such communication in physical form, upon request. For Shareholders who have not registered their e-mail addresses, physical copies would be sent by the permitted mode.
18. Members may also note that the Notice of 17th (SEVENTEENTH) Annual General Meeting and the Annual Report for the Financial Year (F.Y.) 2022-23 will also be available on the Company's website www.yashchemex.com for download.
19. Unless the Shareholders have requested for hard copies of the same, the Notice of AGM, Annual Report, Attendance Slip, Route Map for the AGM Venue and Proxy Form are being sent in electronic mode to Members whose email address(es) are registered with the Company or the Depository Participant(s). Physical copy of the Notice of AGM, Annual Report, Attendance Slip, Route Map for the AGM Venue and Proxy Form are being sent to those Members who have not registered their e-mail address with the Company or Depository Participant(s). Shareholders who have received the Notice of AGM, Annual Report, Attendance Slip, Route Map for the AGM

Venue and Proxy Form in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter at the AGM. Members are requested to furnish the printed Attendance Slip along with valid identity proof such as PAN Card, Passport, Aadhaar Card or Driving License while entering the AGM hall.

20. Pursuant to the provisions of Sections 124 and 125 of the Act, there is no amount of Dividend remaining unclaimed / unpaid for a period of 7 (seven) years and/or unclaimed Equity Shares which are required to be transferred to the Investor Education and Protection Fund (IEPF).
21. Shareholders who have not encashed the dividend warrants for any previous year, are requested to make their claim with Bigshare Services Pvt. Ltd. at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059. As per the provisions of Section 124(2) of the Companies Act, 2013, the Company has also uploaded details of Unclaimed dividend amount(s) for the Financial Year 2022-23, lying with the Company as on date of Annual Report on the website of the Company i.e., www.yashchemex.com.
22. Shareholders are requested to send in their queries at least a week in advance to the Company Secretary at the Registered Office of the Company to facilitate clarifications during the AGM.
23. All the work related to share registry in terms of both physical and electronic are being conducted by Company's Registrar & Transfer Agent, Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400059, Maharashtra. The Shareholders are requested to send their communication to the aforesaid address or via email at investors@bigshareonline.com.
24. The SEBI has vide Circular no. MRD/DOP/Cir-05/2009 dated 20th May, 2009 mandated the submission of PAN by every participant in the security market. Members holding shares in electronic form /physical form therefore, Members are requested to submit their PAN to the Company or the RTA.
25. The Company has designated an exclusive Email ID: cs@yashchemex.com for redressal of Shareholders'/ Investors' complaints/ grievances. In case you have any queries, complaints or grievances, then please write to us at the above-mentioned e-mail address.
26. Relevant documents referred to in the accompanying Notice calling the AGM are available for inspection through electronic mode up to the date of the AGM. Members seeking to inspect such documents can send an email to cs@yashchemex.com.
27. The notice of Annual General Meeting along with the Annual report 2022-23 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING 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 22nd September, 2023 at 9:00 a.m. and ends on 25th September, 2023 at 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 18th September, 2023 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.

<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<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.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>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.</p>

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. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 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	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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)	<p>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.</p> <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 <Company Name> Yash Chemex 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; cs@yashchemex.com 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 cs@yashchemex.com/ investors@bigshareonline.com.



ANNUAL REPORT 2022-23

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 at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. 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

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT

Item No. 2

Mr. Pritesh Yashwantlal Shah, Managing Director (DIN:00239665), retires by rotation and being eligible, seeks re-appointment. The Board recommends the Ordinary Resolution set out in Item No. 2 of the Notice for approval by the members. The brief profile of Mr. Pritesh Y. Shah is annexed to the notice.

Except Mr. Pritesh Y. Shah and his relatives to the extent of their shareholding, none of the other Directors/Key Managerial Personnel of the Company/their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

BRIEF PROFILE OF PRITESH YASHWANTLAL SHAH

PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT,2013 AND BRIEF RESUME OF DIRECTOR(S) APPOINTMENT/RE-APPOINTMENT AT THE 17TH ANNUAL GENERAL MEETING OF THE COMPANY

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of Director	Mr. Pritesh Yashwantlal Shah
DIN	00239665
Date of Birth	25/04/1975
Date of Appointment	03/06/2006
Relationship with Other Director inter se	Husband of Executive Director
Qualification	BSC
Experience	Eighteen years of Experience in the field of Dyes and Chemical Segment.
No. of Equity Shares held in the Company	2552720
List of other Companies in which Directorships are held	Yasons Chemex Care Limited
List of committees of board of Directors (Across all other companies) in which chairmanship/membership is held	Member of Audit Committee of Yash Chemex Limited and Yasons Chemex Care Limited.



ANNUAL REPORT 2022-23

Details as required under part II of Schedule V are as follows.

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V TO THE ACT

1. General Information

I. Nature of industry:

Importing, Exporting and Trading of Chemicals, dyes and intermediates

II. Date of commencement of commercial production:

The Company carries on Chemical business since its incorporation.

III. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

IV. Financial performance based on given indicators:

Financial Performance of the Company for the year ended 31st March, 2023

FINANCIAL PERFORMANCE	AMOUNT (IN LAKHS)
REVENUE FROM OPERATIONS	5447.50
OTHER INCOME	185.40
TOTAL EXPENDITURE	5582.03
NET PROFIT BEFORE TAX	50.87
PROFIT AFTER TAX (AFTER DEDUCTING COMPREHENSIVE INCOME)	38.82

Foreign investments or collaborations, if any.

The share capital of the Company is entirely held by domestic Indian Bodies Corporate and Individuals.

I. Information about the appointee:

i. Background details: Mr. Pritesh Y. Shah

Mr Pritesh Y. Shah is Managing Director of Company. He hold a Bachelor degree in Chemistry. He has eighteen years Experience in dyes and chemical segment.

ii. Past Remuneration: NIL

iii. Recognition or awards: None

iv. Job Profile and his suitability

Mr. Pritesh Y. Shah, being a Managing Director, considering his vast experience and deep knowledge of the business in which Company operates and also contribution made by him towards growth of the Company, the remuneration proposed commensurate with his job profile and is justified.

v. Remuneration: Nil

vi. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Mr. Pritesh Y. Shah is a Managing Director of the Company. He has no other pecuniary relationship with the Company except to the extent of his remuneration and shareholding in the Company. he is Husband of Mrs. Dimple Pritesh Shah, Whole time director of the Company.

II. Other information:

1. Reasons of loss or inadequate profits

The Company is engaged in the business of selling various types of Chemicals, Dyes and Intermediates etc. During the Year 2022-23, the Company has made Profit after Tax of Rs.38.82 Lacs.

2 Steps taken or proposed to be taken for improvement:

The Company has increased its revenue significantly which will help it to achieve in increased profits. The Company has started Focusing on the large size business and started to put an Effort on place appropriate working capital mechanism and on all other economic measures ae being adopted to maintain profitability.

3 Expected increase in productivity and profits in measurable terms

We had made all Continuous Efforts to expand marketing and economy in operations.

Except Mr. Priteshbhai Yashwantlal Shah & Mrs. Dimpleben Priteshkumar Shah along with their relatives, none of the other Directors or the Key Managerial Personnel or their relatives except to their shareholding is in any way interested or concerned, financially or otherwise in this Resolution at Item No. 02 of the Notice.

ITEM NO.3

The Members of the Company at the 12th AGM held on September 29, 2018 had re-appointed Mrs. Dimple Pritesh Kumar Shah (having **DIN 06914755**) as an Executive Director to hold office from September 29,2018 to September 29,2023.

Mrs. Dimple Pritesh Kumar Shah (having **DIN 06914755**) aged 46 years is presently designated as the Director of the Company. He has served as a director of our company since its inception, and we have benefited from her Marketing Experience, direction and supervision.

The Board of Directors at their meeting held on August 31, 2023, based on the recommendation of Nomination and Remuneration Committee, has approved the Change in designation of Mrs. Dimple Pritesh Kumar Shah (having **DIN 06914755**) from Director to Whole -Time Director for a further period of 5 (Five) years commencing from August 31 , 2023 to August 30 , 2028 subject to approval of the members in the Seventeenth Annual General Meeting of the Company.

Mrs. Dimple Pritesh Kumar Shah (having **DIN 06914755**) is not disqualified from being reappointed as a Director in terms of Section 164 of the Act and has given his consent to act as Whole-Time Director of the Company.

BRIEF PROFILE OF DIMPLE PRITESH KUMAR SHAH

PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT,2013 AND BRIEF RESUME OF DIRECTOR(S) APPOINTMENT/RE-APPOINTMENT AT THE 17TH ANNUAL GENERAL MEETING OF THE COMPANY

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name Of Director	Mrs. Dimple Pritesh Kumar Shah
DIN	06914755
Date Of Birth	20-06-1977
Date Of Appointment	29/09/2018
Relationship with Other Director inter se	Wife of Managing Director
Qualification	B.Com
Experience	Five years
No. Of Equity Shares held in the Company	861477
Terms and Conditions of appointment or reappointment along with details of Remuneration	Mrs. Dimple Priteshkumar Shah has been appointed as Director on September 29,2018. The Board of Directors at their meeting held on August 31, 2023, has approved the appointment and remuneration of Mrs. Dimple Pritesh Kumar Shah (having DIN 06914755) as a Whole-Time Director for a further period of 5 (Five) years commencing from September 26, 2023 to September 25,2028 subject to the approval of members of Company.
List Of other Companies in which Directorships are held	Yasons Chemex Care Limited
List of committees of board of Directors (Across all other companies) in which chairmanship/membership is held	-



ANNUAL REPORT 2022-23

Details as required under part II of Schedule V are as follows.

1. General Information

- I. **Nature of industry:**
Importing, Exporting and Trading of Chemicals, dyes and intermediates
- II. **Date or expected date of commencement of commercial production:**
The Company carries on Chemical business since its incorporation.
- III. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**
Not Applicable.
- IV. **Financial performance based on given indicators:** Financial Performance of the Company for the year ended 31st March, 2023.

Financial Performance	Amount (In Lakhs)
Revenue from operations	3,677.27
Other income	423.37
Total expenditure	3,679.24
Net profit before tax	421.39
Profit after tax (after deducting comprehensive income)	342.77

- V. **Foreign investments or collaborations, if any:**
The share capital of the Company is entirely held by domestic Indian Bodies Corporate and Individuals.

III. Information about the appointee:

- i. **Background details:** Mrs. Dimple P. Shah

Mrs. Dimple P. Shah is an Executive Director of Company. She holds a Bachelor degree in commerce. She has knowledge and Experience in marketing and management field. (Appointed as Whole time Director of the Company as on 31st August,2023 subject to the approval of Shareholders at the Annual General Meeting of the Company.)

- ii. **Past Remuneration:** NIL

- iii. **Recognition or awards:** None

iv. Job Profile and his suitability

Mrs. Dimple P. Shah, being a Executive director, considering her vast experience and deep knowledge of the business in which Company operates and also contribution made by her towards growth of the Company, the remuneration proposed commensurate with her job profile and is justified.

ii. Remuneration: Nil

iii. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Mrs. Dimple P. Shah is Director of the Company. She has no other pecuniary relationship with the Company except to the extent of her remuneration in the Company. She is wife of Mr. Pritesh Y. Shah, Managing Director of the Company.

iv. Other information:

1. Reasons of loss or inadequate profits

The Company is engaged in the business of selling various types of Chemicals, Dyes and Intermediates etc. During the Year 2022-23, the Company has made Profit after Tax of Rs.38.82 Lacs.

2. Steps taken or proposed to be taken for improvement.

Following steps taken by the Company for improvement:

The Company has increased its revenue significantly which will help it achieve increased profits. Focus on the large size business Effort on putting in place appropriate working capital mechanism. And all other economic measures ae being adopted to maintain profitability.

3. Expected increase in productivity and profits in measurable terms

We had made all Continuous Efforts to expand marketing and economy in operations

Except Mr. Priteshbhai Yashwantlal Shah & Mrs. Dimpleben Pritesh Kumar Shah along with their relatives, none of the other Directors or the Key Managerial Personnel or their relatives except to their shareholding is in any way interested or concerned, financially or otherwise in this Resolution at Item No. 03 of the Notice.

Item No. 4

As per the provisions of Section 185 of the Companies Act, 2013, approval of shareholders by way of Special Resolution is required by the Company for giving loan to any person as specified therein or giving guarantee or providing securities to any bank or financial institutions in respect of loan availed by any person in whom any of the directors of the Company is interested as defined under Section 185 of the Act.

The Company may give a loan to any person as specified therein or giving guarantee or providing securities to any bank or financial institutions in respect of loan availed by to any person as aforesaid.

Where such giving loan to any person as specified therein or giving guarantee or providing securities to any bank or financial institution in respect of loan availed by to any person as specified therein, under Section 185 of the Companies Act, 2013 prior approval by means of a Special Resolution passed at a General Meeting is necessary.

The directors are satisfied that this resolution would be in the interest of the Company and its members and accordingly recommend to pass the resolution as Special Resolution.

Directors, their relative and Key Managerial Personnel and who are members of the Company, may be deemed to be concerned or interested in this Resolution to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

Item No. 5

The Company makes investment in subsidiary and other Chemical companies as and when needed. The Company also provides Corporate Guarantee to the banks/financial institutions for the financial assistance provided by them.

The requirements of the loans to be given / investment to be made / guarantee to be provided by the Company to meet the financial requirements, is required to increase the limit up to 100 Crore. The consent and approval of the Shareholders is therefore, sought in accordance with the provisions of Section 186 of the Companies Act, 2013 for the said limits.

As per the provisions of Section 186 of the Companies Act, 2013, No company shall directly or indirectly (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding Sixty percent of its Paid-up Capital, Free reserves and Securities Premium or Hundred Percent of its Free Reserves and Securities Premium account, whichever is more.



ANNUAL REPORT 2022-23

Where such giving of any loan or guarantee or providing any security or the acquisition exceeds the limits specified, under Section 186 of the Companies Act, 2013 prior approval by means of a Special Resolution passed at a General Meeting.

The Directors are satisfied that this resolution would be in the interest of the Company and its members and accordingly recommended to pass the resolution as SPECIAL RESOLUTION.

Directors, their relatives and Key Managerial Personnel and who are members of the Company, may be deemed to be concerned or interested in this Resolution to the extent of their respective Shareholding in the Company to the same extent as that of every other member of the Company.

Item No. 6,7,8,9 and 10

Pursuant to provisions of Section 188 of the Companies Act, 2013 read with rules made thereunder and in terms of applicable provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 consent of the members by way of ordinary resolution is required for approval of material related party transactions entered / proposed to be entered in to by the Company with its related parties.

Your Company has some related party transactions with M/s. Yasons Chemex Care Limited, M/s. Yash Chem, M/s. Yash Corporation, Rishit Polysurf LLP and M/S. R.J. Chem which will be considered as Material Related Party Transactions. The Audit Committee and Board of Directors of the Company at its meeting held earlier has accorded its approval for the said related party transactions and for which your approval is required u/s 188 of the Companies Act, 2013 and also under the provisions of SEBI (LODR) Regulations, 2015. The details of the proposed material related party transactions are given below.

Sr. No.	Name of Related Party	Name of director or KMP and their relatives who are related, if any	Nature of relationship	Nature of transactions	Proposed/ Amount of Transaction
1.	Yash Chem	<ul style="list-style-type: none"> • Mr. Pritesh Y. Shah, Managing Director • Mrs. Dimple P. Shah and • Mr. Yashwantlal C. Shah are relatives of Managing Director (Demise as on 30.01.2023) 	Mr. Pritesh Y. Shah is a Proprietor of Yash Chem	Purchase and Sales of chemicals	To the extent of Rs. 9 Crores p.a.
2.	Yasons ChemexCare Limited	<ul style="list-style-type: none"> • Mr. Pritesh Y. Shah, Managing Director • Mrs. Dimple P. Shah is Whole time director 	Company having Common Directors	Purchase and Sales of chemicals Investment in equity Shares	To the extent of Rs. 20 Crores p.a.
3.	Yash Corporation	<ul style="list-style-type: none"> • Mr. Pritesh Y. Shah is Karta Pritesh Y. Shah-HUF. • Mrs. Dimple P. Shah and • Mr. Yashwantlal C. Shah a relative of Managing Director (Demise as on 30.01.2023) 	Pritesh Y. Shah-HUF is a Proprietor of Yash Corporation.	Purchase, Sale and Supply of Goods and Services	To the extent of Rs. 9 Crores p.a.
4.	Rishit Polysurf LLP	<ul style="list-style-type: none"> • Mr. Yashwantlal C. Shah relative of directors. • (Demise as on 30.01.2023) 	Yasons Chemex Care Limited is designated partner of this LLP.	Purchase, Sale and Supply of Goods and Services	To the extent of Rs.10 Crores p.a.
5	R.J. Chem	Mr. Ronak Mehta employee of the Company.	Proprietorship firm of employee of the Company	Purchase, Sale and Supply of Goods and Services	To the extent of Rs.20 Crores p.a.

As per the SEBI Listing regulations, related parties of the Company shall abstain from voting on the said resolutions. Accordingly, approval of members is sought by passing an ordinary resolution.

The proposal outlined above is in the interest of the Company and the Board recommends the resolution set out in Item No. 6,7 8,9 & Item No. 10 to the accompanying Notice as an Ordinary Resolutions.



ANNUAL REPORT 2022-23

None of the Directors (Except mentioned above), relatives of Directors (Except mentioned above) and Key Managerial Personnel and their relatives of the Company is directly/ indirectly interested in the above resolutions.

**By Order of the Board of Directors of
Yash Chemex Limited**

SD/-

**PRITESH YASHWANTLAL SHAH
Managing Director
DIN: 00239665**

**Place: Ahmedabad
Date: September 1, 2023**

**YASH CHEMEX LIMITED
(CIN:-L74110GJ2006PLC048385)
Registered Office:
411,4th Floor,Sigma Icon-1,Opp.Medilink Hospital,
Satellite,Ahmedabad-380015.
Phone: 079-40028639, 079-26730257-58
Email id: cs@yashchemex.com
Web-site: www.yashchemex.com**

DIRECTORS' REPORT

To,
The Shareholders,

Your Directors have pleasure in presenting the 17th Annual Report of your Company along with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended on March 31, 2023.

FINANCIAL PERFORMANCE

The Audited Financial Statements of your Company as of March 31, 2023, have been prepared in accordance with the relevant applicable Accounting Standards, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and the applicable of the Companies Act, 2013 ("Act")

(Amount in Lakhs)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	5447.50	7732.62	8533.14	9783.73
Other Income	185.40	82.33	608.77	194.15
Total Income	5632.90	7814.95	9141.91	9977.88
Less: Expenditure	5582.03	7607.39	8669.64	9518.92
Profit/Loss before Interest, Depreciation and Tax	52.12	208.93	483.62	473.27
Less: Interest	-	-	-	-
Less: Depreciation and Amortization	1.25	1.37	11.35	14.31
Less: Extra Ordinary Items	-	-	-	-
Profit/Loss Before Tax	50.87	207.56	472.27	458.96
Less : Tax Expenses	12.05	61.94	90.68	117.72
Current Tax	15.31	52.60	86.41	97.15
Tax in respect of earlier year	3.22	8.27	10.98	19.24
Deferred Tax Asset	(6.48)	1.07	(6.71)	1.33
Profit/Loss After Tax	38.82	145.62	381.59	341.24

Performance Review & State of Company's Affairs

- **Standalone Operating Results**

Your Company operates single segment business viz. Trading of Chemical. At standalone level, the net revenue from operations for the financial year 2022-23 is Rs. 5447.50 Lakhs compared with Rs. 7732.62 Lakhs for the Previous Year. The operating profit before tax for the financial year 2022-23 is Rs 50.87 Lakhs as against Rs. 207.56 Lakhs for the Previous Year. Total Comprehensive Income for financial year 2022-23 is Rs. 113.98 Lakhs compared to Rs. 199.62 Lakhs for the Previous Year.

- **Consolidated Operating Results**

The Net Consolidated Revenue from operations for the financial year 2022-23 is Rs. 8533.14 Lakhs as against Rs. 9783.73 Lakhs for the Previous Year. The Consolidated operating profit before tax for the financial year 2022-23 is Rs. 472.27 Lakhs as against Rs. 458.96 Lakhs for the Previous Year. Total Comprehensive Income for the financial year 2022-23 is Rs. 457.07 Lakhs compared to Rs. 395.24 Lakhs for the Previous Year.

DIVIDEND

Your directors have not recommended any dividend for the Financial Year 2022-23.

TRANSFER TO RESERVES

Your Company has earned adequate profit of Rs.38.82 Lakhs during the financial year 2022-23. The directors have decided to plough back the profit into the business and transfer a balance of profit of Rs.38.82 Lakhs to the General Reserve.

DEPOSITS

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

CAPITAL STRUCTURE

During the year under review, there has been no change in the Capital Structure of the Company.

A. Authorized Share Capital

As on 31st March, 2023, The Authorized Share capital of the company is Rs. 11,00,00,000/- (Rs. Eleven Crore only) divided in to 1,10,00,000 Equity Shares of Rs 10 /- each.

B. Issued Capital, Subscribed and Paid-up Capital

The Paid-up Equity share Capital of the Company is Rs. 10,24,34,250/- (Rs. Ten Crore Twenty-Four Lakhs Thirty-Four Thousand Two Hundred Fifty only) divided in to 1,02,43,425 Equity Shares of Rs 10 /- each.

AUDITORS

- **STATUTORY AUDITORS:**

Pursuant to provisions of Section 139 of the Companies Act, 2013 and the rules framed there under, M/S H S K & CO LLP. Chartered Accountants (FRN: 117014W/W100685) were appointed as Statutory Auditors of the company from the conclusion of 14th Annual General Meeting of the company held on 30th September, 2020 till the conclusion of 18th Annual General Meeting. The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013.

AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s. H S K & CO LLP, Statutory Auditors (FRN: 117014W/W117014W), in their report for the financial year ended March 31, 2023. Pursuant to provisions of section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud to the Audit, Risk and Compliance Committee during the year under review.

- **SECRETARIAL AUDITORS & SECRETARIAL AUDIT REPORT:**

The Board of Directors of your Company appointed M/S. Yashree Dixit & Associates, Practicing Company Secretaries (FCS Number:12221, COP Number: 19206) as the Secretarial Auditors of the Company for the conduct of Secretarial Audit for the Financial Year 2022-23, pursuant to the provisions of Section 204 of the Companies Act,2013 and Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. There has been one observation has been raised by secretarial Auditor regarding Section 16 read with Section 2(i) (a) of Securities Contracts (Regulation) Act, 1956. The Company has filed application for Suo-Moto Proceedings under Securities Exchange Board of India (Settlement Proceedings) Regulations, 2018 on 20th April,2023.

The Secretarial Audit Report submitted by the Secretarial Auditor is annexed as “**ANNEXURE –C**” to this Board’s Report.

- **INTERNAL AUDIT AND RECORDS:**

In Accordance with the provisions of section 138 of the Companies Act,2013 read with Rules 13 of the Companies (Accounts) Rules ,2014 and other applicable provisions of Companies Act,2013. the Board of Directors of the company has appointed M/S Viral H. Shah & Co., Chartered Accountants (Membership No.159235 and FRN NO. 145987W) as an internal Auditor of the Company for the Financial Year 2022-23.

- **COST AUDITOR:**

As per companies (Cost Records and Audit) Rules, 2014 as amended by companies (Cost Records and Audit) Amendment Rules, 2014, issued by the Central Government. The company is not required to get its cost record audited by Cost Auditor.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL YEAR RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments affecting the financial position of your Company which have occurred between March 31, 2023, and the date of this Directors’ Report.

Yasons Chemex Care Limited (CIN: U24304GJ2017PLC099511), Subsidiary Company of Yash Chemex Limited has filed Draft Prospectus with NSE EMERGE) dated on 20th January,2023.

POLICY ON APPOINTMENT & REMUNERATION OF DIRECTORS

To ensure compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions, the Nomination and Remuneration Committee of the Board of Directors of the Company have formulated the Nomination and Remuneration Policy.

The Nomination and Remuneration Policy of your Company have been made available on the website of the Company i.e., <http://www.yashchemex.com>

VIGIL MECHANISM

In pursuant to the provisions of section 177(9) and (10) of the companies Act,2013, Your Company has adopted a Whistle Blower Policy as a part of its vigil mechanism. The purpose of the Policy is to enable employees to raise concerns regarding unacceptable improper practices and/ or any unethical practices in the organisation without the knowledge of the Management. All employees shall be protected from any adverse action for reporting any unacceptable or improper practice and/or any unethical practice, fraud, or violation of any law, rule, or regulation. This Policy is also applicable to the Directors and Employees of the Company. Mr. Jinal D. Shah has been appointed as the 'Whistle Blowing Officer', and his contact details have been mentioned in the Policy. Furthermore, employees are also free to communicate their complaints directly to the Chairman /Members of the Audit Committee, as stated in the Policy. The Policy is available on the website of the Company. On a quarterly basis, the Audit Committee reviews reports made under this policy and implements corrective actions, wherever necessary.

CORPORATE SOCIAL RESPONSIBILITY

The company has not developed and implemented any corporate social responsibility initiatives as per the provisions of section 135 of the companies Act,2013 are not applicable.

INSURANCE

The Company has a broad-banded approach towards insurance. Adequate cover has been taken for all movable and immovable assets against numerous risks and hazards.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE & INTERNAL COMPLAINTS COMMITTEE

Your Company is committed to creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation, or intimidation.

The Board of Directors of your Company has constituted Internal Complaints Committees (ICCs) at Head Office pursuant to the provisions of the Sexual Harassment of Women at

Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

The ICC at the Head Office level consists of the following Members as on March 31, 2023:

1. Mrs. Dimple P. Shah: Chairperson
2. Ms. Angee R. Shah: Member
3. Ms. Rutu D. Mehta: Member

The Company has formulated and circulated to all the employees, a policy on prevention of sexual harassment at workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment.

There were no complaints of sexual harassment received by the ICC during the Financial Year 2022-23.

RISK MANAGEMENT

Risk Management is an integral part of our strategy for stakeholders' value enhancement and is embedded in to governance and decision-making process across the Organisation. The Company has in place the Risk Management Policy to ensure effective responses to strategic, operational, financial and compliance risks faced by the Organisation.

This Policy deals with identifying and assessing risks such as operational, strategic, financial, security, property, regulatory, reputational, cyber security and other risks and the Company has in place an adequate Risk Management infrastructure capable of addressing these risks. The Board of Directors of your Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of the Company.

NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

At the end of the financial year under review none of the company have become or ceased to be Joint Ventures or Associate Companies.

Yasons Chemex Care Limited (having CIN: U24304GJ2017PLC099511) is subsidiary company of Yash Chemex Limited.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of our Subsidiary in the Form AOC-1 is annexed and form part of the Annual Report as **Annexure A**. In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the consolidated financial statements, audited accounts of the Subsidiary and other documents are available on your Company's website: www.yashchemex.com.

BOARD OF DIRECTORS, BOARD & COMMITTEE MEETINGS AND KEY MANAGERIAL PERSONNEL

- **MEETINGS OF THE BOARD OF DIRECTORS:**

The Board of Directors of the company met 9 times during the year. i.e. 14.04.2022, 25.05.2022, 12.08.2022, 01.09.2022, 12.10.2022, 08.12.2022, 04.01.2023, 12.01.2023 and 09.02.2023 in respect of which proper notices were given and proceedings were properly recorded, signed and maintained in the minutes book kept by the company.

The maximum gap between two Board Meetings did not exceed 120 (One Hundred Twenty) days.

- **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

There are changes in the Key Managerial Personnel of the company:

SR NO.	NAME	Nature (Resignation/Appointment)	Designation	Effective Date
1	Charmi Shah	Resignation	Company Secretary	12/01/2023
2	Pritesh Y. Shah	Appointment	Chief Financial Officer	25/05/2022
3	Riddhi D. Shah	Appointment	Company Secretary	10/04/2023

In accordance with the Act and Articles of Association of the Company, Mr. Pritesh Y. Shah, Managing Director, retires by rotation and being eligible himself for reappointment. The Nomination and Remuneration Committee and the Board of Directors recommended his Re-appointment.

The following are the **Key Managerial Personnel (KMP)** of your Company pursuant to the provisions of Section 203 of the Companies Act, 2013, throughout the Financial Year 2022-23: -

1. Mr. Pritesh Y. Shah - Managing Director and Chief Financial Officer
2. Mrs. Dimple P. Shah- Executive Director
3. Ms. Charmi D. Shah-Company Secretary and Compliance Officer (Resigned w.e.f 12th January,2023)
4. Miss. Riddhi D. Shah- Company Secretary and Compliance Officer (appointed w.e.f 10th April ,2023)

- **Committees to the Board**

In compliance with the requirement of applicable laws and as part of best governance practices, the Company has followed Committees of the Board as on 31 March, 2023:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee

- a. **AUDIT COMMITTEE:**

Pursuant to the provisions of Section 177(8) of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee comprises of the following Members:

1. Mr. Jinal D. Shah: Chairman - Non-Executive, Independent Director
2. Ms. Angee R. Shah: Member –Non-Executive-Independent Director
3. Mr. Rushabh A. Shah: Member - Non-Executive-Independent Director
4. Mr. Pritesh Y. Shah: Member-Executive Director

The Company Secretary and Compliance Officer acts as Secretary to the Audit Committee. The Audit Committee has made observations and recommendations to the Board of Directors, which have been noted and accepted by the Board.

During the Financial Year 2022-23, all recommendations made by the Audit Committee to the Board of Director were accepted by the Board and there were no instances where the recommendations were not accepted.

The Members of the Committee met 7 times during the year. i.e. 14.04.2022,25.05.2022,12.08.2022,31.08.2022, 12.10.2022, 04.01.2023 and 09.02.2023.

b. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014 and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee comprises of the following Members: -

1. Mr. Jinal D. Shah: Chairman - Non-Executive, Independent Director
2. Ms. Angee R. Shah: Member –Non-Executive-Independent Director
3. Mr. Rushabh A. Shah: Member - Non-Executive-Independent Director

The Members of the Committee met 5 times during the year. i.e.14.04.2022,01.07.2022 ,31.08.2022, 12.10.2022 and 12.01.2023

c. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act,2013 and Regulation 20 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the committee comprises of the following Members:

1. Mr. Jinal D. Shah: Chairman - Non-Executive, Independent Director
2. Ms. Angee R. Shah: Member –Non-Executive-Independent Director
3. Mr. Rushabh A. Shah: Member - Non-Executive-Independent Director

The Members of the Committee met 5 times during the year. i.e.14.04.2022,01.07.2022 ,31.08.2022, 12.10.2022 and 12.01.2023

EXTRA ORDINARY GENERAL MEETING

No Extra Ordinary General Meeting of the Company has been held during the F.Y 2022-23.

ANNUAL GENERAL MEETING

The Sixteenth Annual General Meeting was held on 26th September,2022 at the Registered office of the Company.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met once during the Financial Year 2022-23 i.e., on 31.03.2023. The Meeting of the Independent Directors was conducted in an informal manner without the presence of the Non-independent Directors

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has an ongoing Programme where Directors in the course of meeting of the Board of Directors give information about Chemical Business developments, Expansion of the Company and various amendments in legal and regulatory areas which include –

Assess the quality, quantity and timelines of flow of information between the Company management and the board that is necessary for the Board Members to effectively and reasonably perform their duties.

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. The Company endeavours, through presentations at regular intervals to familiarize the Independent Directors with the strategy, operations and functioning of the Company. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company.

The Independent Directors also met with senior management team of the Company in formal/ informal gatherings.

The details of such familiarization programmes for Independent Directors in terms of provisions of Regulation 46(2)(i) of the Listing Regulations are posted on the website of the Company and can be accessed at www.yashchemex.com.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Rules made there under, the Board has carried the evaluation of performance of Individual Directors including Independent Directors, Board as Whole and its Committees and performance of the Chairman of the Board, on the basis of Qualifications, Experience, Knowledge and Competency, Structure of Board, Regularity of meetings, Contribution and Integrity, Independence, Independent views and judgment, Evaluation of Risk and various other criteria as recommended by the Nomination and Remuneration Committee of the Company. The Directors expressed their satisfaction with the evaluation process and outcome.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in sub-sections (3)(c) and (5) of Section 134 of the Companies Act, 2013, the Directors of your Company confirm that: -

- a. In the preparation of the Annual Accounts for the Financial Year (F.Y.) 2022-23, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year (i.e., March 31, 2023) and of the profit and loss of the Company for that period (i.e., the Financial Year 2022-23);
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The Directors have prepared the Annual Accounts on a going concern basis.
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

As on March 31, 2023, the following Directors on the Board were Independent:

Mr. Jinal D. Shah	:	Independent Director
Ms. Angee R. Shah	:	Independent Director
Mr. Rushabh A. Shah	:	Independent Director

Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, disclosure is hereby given that the Company has received declaration / confirmation of independence from all the 3 (three) Independent Directors, of the Company pursuant to Section 149(6) of the Companies Act, 2013, as may amended from time to time, after undertaking due assessment of the veracity of the same and the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The certificates of Independence received from all the Independent Directors have been noted by the Board.



ANNUAL REPORT 2022-23

PARTICULARS OF EMPLOYEES

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of the business of the company during the year.

EXTRACT OF ANNUAL RETURN

In terms of provisions of Section 92, 134(3)(a) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return is available on the website of the Company i.e., https://yashchemex.com/wp-content/uploads/2023/08/Form_MGT_7-2022-23.pdf.

SIGNIFICANT REGULATORY OR COURT ORDERS

During the Financial Year 2022-23, there were no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of the Company and its operations in future.

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

During the year under review, the Company has granted advances and made an investment under the provisions of section 186 of the Companies Act, 2013. The Company has not given any loan. The details of Loans, Guarantees and Investment made are given in the Notes to the Financial Statements, which forms part of this Report.

CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

During the period under review Company has entered transactions with related parties. Transactions entered as per section 188 of the companies Act, 2013 during the year as are detailed in **Annexure -B** attached to this Report and Transactions with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to the accounts annexed to the financial statements.



ANNUAL REPORT 2022-23

The Policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: www.yashchemex.com. There are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

INTERNAL FINANCIAL CONTROLS WITH RESPECT TO FINANCIAL STATEMENTS

Your Company is committed to constantly improving the effectiveness of internal financial controls and processes for efficient conduct of its business operations and ensuring security to its assets and timely preparation of reliable financial information. In the opinion of the Board, the internal financial control system of the Company commensurate with the size, scale and complexity of business operations of the Company.

Further, the internal financial controls with reference to the Financial Statements are adequate in the opinion of the Board of Directors were operating effectively.

The Company has a proper system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive programme of internal, external audits and periodic review by the Management. This system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

The Statutory Auditors and the Internal Auditors were, inter alia, invited to attend the Audit Committee Meetings and present their observations on adequacy of Internal Financial Controls and the steps required to bridge gaps, if any. The Board of Directors noted the observations and accepted the recommendations of the Audit Committee.

CORPORATE GOVERNANCE

As required by Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a detailed report on Corporate Governance is included in the Annual Report.

M/S Yashree Dixit & Associates, Practising Company Secretary have certified the Company's compliance requirements of Corporate Governance in terms of Regulation 34 of the Listing Regulations and their Compliance Certificate is annexed to the Report on Corporate Governance.

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

{Pursuant to section 134(3)(m) of the companies Act,2013 and read with Rule 8(3) of the companies Accounts Rules,2014}

a. Conservation of Energy: *

- I. Steps taken/impact on conservation of energy: N.A.
- II. Steps taken by the Company for utilizing alternate sources of energy including waste generated: Nil
- III. Capital investment on energy conservation equipment: NIL

*Your Company is in Business of trading of Chemical, so in trading business there is no need of Conservation of Energy.

b. Technology Absorption: *

- I. The efforts made towards technology absorption; N.A.
- II. The benefits derived like product improvement, cost reduction, product development or import substitution; N.A.
- III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - N.A.

*Your Company is in Business of trading of Chemical, so in trading business there is no need of Technology Absorption.

c. Foreign Exchange Earning and Outgo (Amount in Rs.):

Foreign Exchange Earning: NIL

Foreign Exchange Outgo: Rs. 1,78,23,782.57

POLICIES OF THE COMPANY

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") have mandated the formulation of certain policies for all listed companies. All the Policies are available on the Company's website, www.yashchemex.com.

The key policies that have been adopted by the Company pursuant to the provisions of the Companies Act, 2013 and the Rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws are as follows:

Sr. No.	Name of the Policy	Brief Particulars of the Policy
1.	Risk Management Policy	The Company has in place, a Risk Management Policy which was framed by the Board of Directors of the Company. This Policy deals with identifying and assessing risks such as operational, strategic, financial, security, property, regulatory, reputational, cyber security and other risks and the Company has in place an adequate Risk Management infrastructure capable of addressing these risks. The Board of Directors of your Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of the Company.
2.	Policy for determining Material Subsidiaries	This Policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the Company in order to comply with the requirements of Regulation 16(1)(c), Regulation 24 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. As on March 31, 2023, Yasons Chemex Care Limited is a material unlisted subsidiary of your Company.
3.	Nomination and Remuneration Policy	This Policy formulates the criteria for determining qualifications, competencies, positive attributes and independence of a Director and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other Senior Management Employees.
4	Policy on Familiarization Programmes for Independent Directors	Your Company has a Policy on Familiarization Programmes for Independent Directors, which lays down the practices followed by the Company in this regard, on a continuous basis.

5	Whistle Blower Policy / Vigil Mechanism	Your Company has a Vigil Mechanism/Whistle Blower Policy. The purpose of the Policy is to enable employees to raise concerns regarding unacceptable improper practices and/ or any unethical practices in the organization without the knowledge of the Management. The Policy provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to Mr. Jinal D. Shah, Chairman of the Audit Committee, in appropriate or exceptional cases.
6.	Policy on Prevention of Sexual Harassment at Workplace	Your Company has in place, a Policy on Prevention of Sexual Harassment at Workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment and thereby encourages employees to work together without fear of sexual harassment, exploitation or intimidation.
7.	Policy on Related Party Transactions	This Policy regulates all transactions between the Company and its Related Parties.
8.	Code of Conduct for the Board of Directors and Senior Management Personnel	Your Company has in place, a Code of Conduct for the Board of Directors and Senior Management Personnel which reflects the legal and ethical values to which your Company is strongly committed. The Directors and Senior Management Personnel of your Company have complied with the Code as mentioned hereinabove.
9	Code of Conduct for Insider Trading	This Policy sets up an appropriate mechanism to curb Insider Trading in accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
10	Policy on Criteria for determining Materiality of Events	This Policy applies to disclosures of material events affecting the Company. This Policy warrants disclosure to investors and has been framed in compliance with the requirements of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended from time to time.

11	Policy for Maintenance And Preservation of Documents	The purpose of this Policy is to specify the type of documents and time period for preservation thereof based on the classification mentioned under Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy covers all business records of the Company, including written, printed and recorded matter and electronic forms of records.
12	Archival Policy	This Policy is framed pursuant to the provisions of the Listing Regulations. As per this Policy, all such events or information which have been disclosed to the Stock Exchanges are required to be hosted on the website of the Company for a minimum period of 5(five) years and thereafter in terms of the Policy.
13	Policy for Inquiry in case of Leak of Unpublished Price Sensitive Information("UPSI")	This Policy is framed by the Board of Directors in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The focus of the Company is to have a Policy in place to strengthen the Internal Control System and prevent Leak of Unpublished Price Sensitive Information ("UPSI"). This policy also aims to have a uniform code to curb unethical practices of sharing UPSI by insiders, employees and designated persons with any other person without a legitimate purpose.
14	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information("UPSI")	The Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations.

SECRETARIAL STANDARDS

Your Company is compiled the Secretarial Standards on Meetings of the Board of Directors (SS 1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

MANAGERIAL REMUNERATION

The remuneration paid to Directors and Key Managerial Personnel of the Company during the Financial Year 2022-23 was in accordance with the Nomination and Remuneration Policy of the Company.

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been appended as “**ANNEXURE-D**” to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT(MDA)

As per Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management and Discussion Analysis of the Financial Condition and results of the operations have been provided Separately in this Annual Report in **Annexure-G**

DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR

No applications have been made and no proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

The disclosure under this clause is not applicable as the Company has not undertaken any one-time settlement with the Banks or Financial Institutions.

ADDITIONAL INFORMATION

The additional information required to be given under the Companies Act, 2013 and the Rules made thereunder, has been laid out in the Notes attached to and forming part of the Annual Accounts. The Notes to the Accounts referred to the Auditors’ Report are self-explanatory and therefore do not call for any further explanation.



ANNUAL REPORT 2022-23

The Consolidated Financial Statements of your Company form part of this Annual Report. Accordingly, this Annual Report of your Company does not contain the Financial Statements of its Subsidiary. The Audited Annual Accounts and related information of the Company's subsidiary will be made available upon request.

These documents will also be available for inspection during all days except Saturday, Sunday, and public holidays from 10.00 a.m. (IST) to 4.00 p.m. (IST) at the Company's Registered Office.

The subsidiary companies' Audited Accounts are also available on the Company's website www.yashchemex.com

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the Section 125 and other applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all the unpaid or unclaimed dividends are required to be transferred to the IEPF established by the Central Government, upon completion of 7 (seven) years.

Further, according to the IEPF Rules, the shares in respect of which dividend has not been paid or claimed by the Shareholders for 7 (seven) consecutive years or more are also required to be transferred to the Demat account created by the IEPF Authority.

During the year under review, Your Company has not transferred any unclaimed amount and Shares to IEPF Authority.

GREEN INITIATIVES

The Notice of the AGM and the Annual Report 2022–23 are being sent only electronically to Members whose email addresses are registered with the company or depositories in accordance with Regulation 36 of the Listing Regulations. Members may take note that the Notice and Annual Report for 2022–2023 will also be accessible at the website of the Company i.e., www.yashchemex.com

WEBSITE

In compliance with Regulation 46 of Listing Regulations, your company maintains a fully functional website with the domain name www.yashchemex.com. The website serves as a comprehensive source of basic information about our company.



ANNUAL REPORT 2022-23

CAUTIONARY STATEMENT

Statements in the Directors' Report and the Management Discussion and Analysis Report describing the Company's objectives, projections, expectations, estimates or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied therein due to risks and uncertainties. Important factors that could influence the Company's operations, inter alia, include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic, political developments within the country and other factors such as litigations and industrial relations.

APPRECIATION AND ACKNOWLEDGEMENT

Your directors place on record their deep appreciation to employees at all levels for their hard work, dedication, and commitment. The Board places on record its appreciation for the support and co-operation, your Company has been receiving from its suppliers, retailers, dealers and others associated with the Company. The Directors also take this opportunity to thank all its clients, vendors, banks, Government and Regulatory Authorities for their continued support.

Registered Office:

411, Sigma Icon-1, 132ft Ring Road,
Opp. Medilink Hospital,
Satellite, Ahmedabad, 380015.

Tel. No.: 079- 40028639

Website: www.yashchemex.com;

Email: cs@yashchemex.com

CIN: L74110GJ2006PLC048385

By Order of the Board of Directors of
Yash Chemex Limited

SD/-

PRITESH YASHWANTLAL SHAH
Managing Director
DIN: 00239665

Place: Ahmedabad

Date: 01st September, 2023

By Order of the Board of Directors of
Yash Chemex Limited

SD/-

DIMPLE PRITESHKUMAR SHAH
Chairperson & Whole Time Director
DIN: 06914755



ANNUAL REPORT 2022-23

ANNEXURE-A

Form AOC-1

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

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

Part "A": Subsidiaries

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

Sr. No.	01
Name of the Subsidiary	Yasons Chemex Care Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
Share capital	1416.19
Reserves & surplus	655.94
Total assets	2758.59
Total Liabilities	686.46
Investments	NIL
Turnover	3677.27
Profit before taxation	421.39
Provision for taxation	78.63
Profit after taxation	342.77
Proposed Dividend	Nil
Extent of Shareholding (in Percentage)	70.16%

Registered Office:

411, Sigma Icon-1, 132ft Ring Road,
Opp. Medilink Hospital,
Satellite, Ahmedabad-380015. Sd/-
Tel. No.: 079- 40028639
Website: www.yashchemex.com;
[Email: cs@yashchemex.com](mailto:cs@yashchemex.com)
CIN: L74110GJ2006PLC048385



ANNUAL REPORT 2022-23

By Order of the Board of Directors of
Yash Chemex Limited

SD/-

PRITESH YASHWANTLAL SHAH
Managing Director
DIN: 00239665

Place: Ahmedabad
Date: 1st September, 2023

ANNEXURE-B

Form AOC-2

(Pursuant to clause (h) of sub section (3) of section 134 of the Act and Rule 8(2) of the companies Act, 2013 including certain Arm's length transactions under third proviso thereto.

Form for Disclosure of particulars of contracts/Arrangements/transactions entered into by the company with related parties referred in sub section (1) of the section 188 of the companies Act, 2013 including certain Arm's length transactions under third proviso thereto.

1. Details of contracts or Arrangements or transactions not at Arm's length Basis: **NIL**

2. Details of contracts or Arrangements or transactions at Arm's length Basis:

Name of Related Party	Nature of relationship	Nature of Contracts/ Arrangements/ transactions	Proposed/ Amount of Transaction	Salient terms & Conditions	Date of Approval of the Board, if any	Amount paid as advanced , if any	Amount of Transactions (in Lakhs)
Yash Chem	Mr. Pritesh Y. Shah is a Proprietor of Yash Chem	Purchase and Sales of chemicals	To the extent of Rs. 9 Crores p.a.	-	12.08.2022		Purchase of Goods: Rs 217.83 Sales of Goods: Rs 7.00
Yasons Chemex Care Limited	Company having Common Directors	Purchase and Sales of chemicals	To the extent of Rs. 20 Crores p.a.	-	12.08.2022	-	Purchase of Goods: Rs 355.05 Sales of Goods: Rs 591.63 Investment in equity shares: Rs 327.04
Yash Corporation	Pritesh Y. Shah-HUF is a Proprietor of Yash Corporation.	Purchase, Sale and Supply of Goods and Services	To the extent of Rs. 9 Crores p.a.	-	12.08.2022	-	Purchase of Goods: Rs 172.95 Sales of Goods: Rs 63.23



ANNUAL REPORT 2022-23

Rishit Polysurf LLP	Yasons Chemex Care Limited is designated partner of this LLP.	Purchase, Sale and Supply of Goods and Services	To the extent of Rs.10 Crores p.a.	-	12.08.2022	-	Purchase of Goods: Rs 258.52 Sales of Goods: Rs 198.89
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ANNUAL REPORT 2022-23

“ANNEXURE –C”

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,
The Members,
Yash Chemex Limited
(CIN: L74110GJ2006PLC048385)
411, Sigma Icon-1,
132ft Ring Road, Satellite,
Ahmedabad-380015.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **YASH CHEMEX LIMITED (CIN: L74110GJ2006PLC048385)** (hereinafter called “**the Company**”) for the financial year ended on March 31, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- (i) The Companies Act, 2013 (‘the Act’), as amended from time to time (the Act) and the rules made there under;

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (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;
- (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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the audit period);
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the audit period);
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

I have also examined compliance with the applicable clauses and regulations of the following:

- i. Secretarial Standards applicable clauses with respect to the meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company

Secretaries of India under the provisions of the Companies Act, 2013 w.e.f. July 1, 2015 amended from time to time and

- ii. The Listing Agreement / The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation, 2015 (“SEBI (LODR)”) and amendments made thereunder.

I further report that the compliance of applicable general laws, labour laws and financial laws including direct & indirect tax laws and GST law by the company has not reviewed in this audit since the same has been subject to review by the statutory auditors and other designated professionals.

From the verification of records and as per the information and explanation furnished to me, during the period under review, the company has complied with the provisions of the Companies Act, 2013, Rules, Regulations, Guidelines, Standards, etc. mentioned above except below mentioned:

Sr.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Section 16 read with Section 2(i) (a) of Securities Contracts (Regulation) Act, 1956.	The director had purchased equity shares from relative and friends of directors for which payment against the delivery of shares were not made either on same day or next day.	The Company has filed application for Suo-Moto Proceedings under Securities Exchange Board of India (Settlement Proceedings) Regulations, 2018 on 20 th April, 2023.

I further report that few compliances related e-forms were filed by the company with Ministry of Corporate Affairs (MCA) beyond the time limit prescribed under Companies Act, 2013 by paying additional fees.

I further report that:

- i. The Board of Directors of the Company is duly constituted with required no.'s of Executive Directors, Non-Executive Directors and Independent Directors. 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.
- ii. Adequate notice is given to all directors to schedule the Board Meetings, agendas were sent in advance, 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 based on the representation made by the company and its officers.
- iii. All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.
- iv. Based on general review of compliance mechanisms established by the Company and on basis of management representations and compliances certificates issued by department heads, there are reasonable systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- v. As informed, the company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the audit period:

Ms. Charmi Shah ceased to the post of Company Secretary ('CS') of the Company from 12th January, 2023 and Ms. Riddhi Shah was appointed at the post of Company Secretary ('CS') of the Company from 10th April, 2023. Mr. Pritesh shah was appointed as a Chief Financial Officer ("CFO") of the Company on 25th May, 2022.

Yasons Chemex Care Limited, a wholly owned subsidiary of the company filed draft Prospectus with (NSE EMERGE) dated 20th January, 2023. The Company has raised fund through Initial Public Offer ('IPO') amounting of 51,42,000 equity shares of face value of Rs. 10 Each/- pursuant to Regulation 229 (2) OF SEBI (ICDR) Regulations. The IPO has open on



ANNUAL REPORT 2022-23

24th July, 2023 and closed on 26th July, 2023. The Company has listed on National Stock Exchange ("NSE") on 03rd August, 2023.

For, YASHREE DIXIT & ASSOCIATES
COMPANY SECRETARIES
FRN: S2017GJ536800

Place: Ahmedabad
Dated: 26.08.2023

SD/-
CS (Dr.) Yashree Dixit
Proprietor
FCS No. : 12221
COP No. : 19206
P/R No.:-1460/2021

UDIN: F012221E000872850

Disclaimer: We have conducted the assignment by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to Financial Year 2022-23. We are not commenting on the Statutory Compliances

whose due dates are extended by Regulators from time to time or still there is time line to comply with such compliances.

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



ANNUAL REPORT 2022-23

ANNEXURE-A SECRETARIAL AUDIT REPORT

To,
The Members,
Yash Chemex Limited
(CIN: L74110GJ2006PLC048385)
411, Sigma Icon-1,
132ft Ring Road, Satellite,
Ahmedabad-380015.

My secretarial audit report for the financial year ended March 31, 2023 of even date is to be read along with this letter.

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I 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 a test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards and its proper and adequate presentation and submission in prescribed formats is the responsibility of management. My examination was limited to the verification of procedure on a test basis.
6. The Secretarial Audit report is neither an assurance as compliance in totality or the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.



ANNUAL REPORT 2022-23

For, YASHREE DIXIT & ASSOCIATES
COMPANY SECRETARIES
FRN: S2017GJ536800

Place: Ahmedabad
Dated: 26.08.2023

SD/-
CS (Dr.) Yashree Dixit
Proprietor
FCS No. : 12221
COP No. : 19206
P/R No.:-1460/2021

UDIN: F012221E000872850



ANNUAL REPORT 2022-23

Form No. MR-3

**SECRETARIAL AUDIT REPORT OF YASONS CHEMEX CARE LIMITED
(Subsidiary Company of Yash Chemex Limited)
For the financial year ended 31st March, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 & Reg.24A of SEBI(LODR), 2015]

To,
The Members,
Yasons Chemex Care Limited
CIN:U24304GJ2017PLC099511
4th floor, 412 Sigma Icon-1, 132 ft Ring Road,
Opp. Medilink Hospital, Satellite,
Ahmedabad-380015, Gujarat

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **YASONS CHEMEX CARE LIMITED (CIN: U24304GJ2017PLC099511)** (hereinafter called the "Company") for the financial year ended on 31st March, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the company's corporate conducts and statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

My responsibility is to express an opinion on the Compliance of the applicable laws and maintenance of records based on audit. We have conducted the Audit in accordance with the applicable Auditing Standards issued by the Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintains of records.

Due to inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Unmodified Opinion:

Based on our verification of the Yasons Chemex Care Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company as hard copies, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and



ANNUAL REPORT 2022-23

also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Yasons Chemex Care Limited (“the Company”) for the financial year ended on 31st March, 2023 verified the provisions of:

- (i) The Companies Act, 2013 (the Act), as amended from time to time and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- (iii) The provisions of The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iv) Foreign Direct Investment, or overseas Direct Investment nor availed any External Commercial Borrowings, the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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, 2015: Not applicable as the company is an unlisted Company;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (upto November 10, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 11, 2018): Not applicable as the company is an unlisted Company;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, which was replaced by the Securities and Exchange Benefits and Sweat Equity) Regulations, 2021 with effect from 13th August 2021: Not applicable as the company is an unlisted Company;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: Not applicable as the company is an unlisted Company;
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: Not applicable as the company is an unlisted Company;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (up to September 10, 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018 (w.e.f. September 11, 2018): Not applicable as the company is an unlisted Company; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: Not applicable as the company is an unlisted Company.

I have also examined compliance with the applicable clauses and regulations of the following:

- i. Secretarial Standards applicable clauses with respect to the meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India under the provisions of the Companies Act, 2013 w.e.f. July 1, 2015 amended from time to time and
- ii. The Listing Agreement / SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchanges: Not applicable as the company is an unlisted Company.

I further report that the compliance of applicable general laws, labour laws and financial laws including direct & indirect tax laws and GST law by the company has not reviewed in this audit since the same has been subject to review by the statutory auditors and other designated professionals.

From the verification of records and as per the information and explanation furnished to me, during the period under review, the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, wherever applicable.

I further report that few compliances related e-forms were filed by the company with Ministry of Corporate Affairs (MCA) beyond the time limit prescribed under Companies Act, 2013 by paying additional fees.

I further report that

- i. The Board of Directors of the Company is duly constituted with required no.'s of Executive Directors, Non-Executive Directors and Independent Directors. 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.

- ii. Adequate notice is given to all directors to schedule the Board Meetings, agendas were sent in advance, 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 based on the representation made by the company and its officers.
- iii. All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.
- iv. Based on general review of compliance mechanisms established by the Company and on basis of management representations and compliances certificates issued by department heads, there are reasonable systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- v. As informed, the company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the audit period:

The Company has filed Draft Prospectus with (NSE EMERGE) dated 20th January, 2023. The Company has raised fund through Initial Public Offer ('IPO') amounting of 51,42,000 equity shares of face value of Rs. 10 Each/- pursuant to Regulation 229 (2) OF SEBI (ICDR) Regulations. The IPO has open on 24th July, 2023 and Closed on 26.0.7.2023. The Company has listed on National Stock Exchange ("NSE") on 03rd August, 2023.

**For, YASHREE DIXIT & ASSOCIATES
COMPANY SECRETARIES
FRN:S2017GJ536800**

**Place: Ahmedabad
Dated: 25.08.2023**

**CS (Dr.) Yashree Dixit
Proprietor
FCS No. : 12221
COP No. : 19206
P/R No.:-1460/2021
UDIN: FO12221E000866943**

Disclaimer: We have conducted the assignment by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct. This Report is limited to the Statutory Compliances on laws / regulations /guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to Financial Year 2022-23. We are not commenting on the Statutory Compliances



ANNUAL REPORT 2022-23

whose due dates are extended by Regulators from time to time or still there is time line to comply with such compliances.

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

ANNEXURE A SECRETARIAL AUDIT REPORT

To,
The Members,
Yasons Chemex Care Limited
[CIN:U24304GJ2017PLC099511]
4th floor, 412 Sigma Icon-1, 132 ft Ring Road,
Opp. Medilink Hospital, Satellite,
Ahmedabad-380015, Gujarat

My secretarial audit report for the financial year ended March 31, 2023 of even date is to be read along with this letter.

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I 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 a test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards and its proper and adequate presentation and submission in prescribed formats is the responsibility of management. My examination was limited to the verification of procedure on a test basis.
6. The Secretarial Audit report is neither an assurance as compliance in totality or the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For, YASHREE DIXIT & ASSOCIATES
COMPANY SECRETARIES
FRN:S2017GJ536800**



ANNUAL REPORT 2022-23

Place: Ahmedabad
Dated: 25.08.2023

CS (Dr.) Yashree Dixit
Proprietor
FCS No. : 12221
COP No. : 19206
P/R No.:-1460/2021
UDIN: FO12221E000866943

Annexure - D

STATEMENT OF PARTICULARS AS PER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Name of Director/ Key Managerial Personnel and Designation	Remuneration of Director / Key Managerial Personnel for the year ended March 31, 2023 (Rs. in lakhs)	Ratio in the remuneration of each Director to the median remuneration of the employees	% increase in the remuneration in the year ended March 31, 2023
1.	Mr. Yashwantlal C. Shah, Chairman and Whole Time Director (upto 30 th January,2023)	-	--	--
2.	Mr. Pritesh Y. Shah, Managing Director	-	--	--
3.	Mr. Dimple p. Shah, Director	-	--	--
4.	Mr. Pritesh Y. Shah, CFO (From 25 th May,2022)	-	--	--
5.	Mrs. Charmi Shah, Company Secretary (Upto 11 th January,2023)	3.47	--	1.35:1

**Salary mentioned for Mrs. Charmi Shah, Company Secretary is given for the Period from 01st April, 2022 to 11th January, 2023 (Date of Resignation.)

- **The Median Remuneration of the Employees of the Company during the year ended as on March 31, 2023 is Rs.2,56,500/-**

(Ms. Charmi D. Shah has resigned from the Post of Company Secretary & Compliance Officer of the Company effective from 12th January,2023 and The Board of Directors has appointed Miss Riddhi Shah as a Company Secretary & Compliance Officer of the Company w.e.f. 10th April,2023)

3	The Number of permanent Employees of the Company on the rolls of the Company as on 31st March, 2023	8
4	Average percentile increases already made in the salaries of Employees other than the Managerial Personnel in the last financial year and its Comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	10%
5	Affirmation that the Remuneration is as per the Remuneration Policy of the Company	The remuneration paid to Key Managerial Personnel is as per the remuneration policy of the Company.

CORPORATE GOVERNANCE REPORT

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), the Directors of Yash Chemex Limited (“the Company” / “YCL”) have pleasure in presenting the Company's Report on Corporate Governance for the Financial Year (F.Y.) ended March 31, 2023.

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

The Securities and Exchange Board of India (“SEBI”) has introduced a Code of Corporate Governance for a Listed Company, which is implemented through the Listing Regulations. Corporate Governance is a set of systems and practices to ensure that the affairs of a Company are being managed in a manner which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet the aspirations and expectations of the Stakeholders’ and the society as a whole. Corporate Governance refers to the framework of rules and practices by which the Company ensures ethical and integral relation with all its Stakeholders. Corporate Governance necessitates professionals to raise their competency and capability levels and upgrade systems and processes to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics.

Effective Corporate Governance practices and strong foundation of Yash Chemex Limited have been YCL’s hallmark which has an established reputation of honesty, integrity and sound governance since inception. Your Company is committed to maintaining the highest standards of Corporate Governance in its conduct towards Shareholders, Employees, Regulators, Customers, Suppliers, Lenders and Other Stakeholders. The Company strongly believes that good Corporate Governance and fairness in actions, words and deeds will form the base of the Company’s Corporate Governance philosophy.

At YCL, we believe that Corporate Governance is a pre-requisite for meeting the needs and aspirations of the Stakeholders’. Corporate Governance is journey which leads to corporate growth and long-term gain in shareholders’ value. Your Company is the compliance with the requirements of Corporate Governance stipulated under the Listing Regulations.

2. Appropriate Governance Structure with Defined Roles and Responsibilities

The Chairman takes a lead role in managing the Board and facilitating effective communication among Directors. The Chairman actively works with the Human Resources, Nomination and Remuneration Committee to plan the Board and Committees’

composition, induction of directors to the Board, plan for Director's succession and provide constructive feedback and advice on performance evaluation to directors. The Company Secretary assists the Chairperson in management of Board's administrative activities such as meetings, schedules, agendas, communications and documentations.

The Chairperson is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and all its stakeholders. The Chairperson guides the Board for effective governance in the company.

3. Audits and Internal Checks and Balances

M/s. H S K & CO LLP, Chartered Accountants are the Statutory Auditor of the Company. The Statutory Auditors and the Group Internal Audit perform independent reviews of the ongoing effectiveness of Yash Chemex Limited which integrates the various components of the systems of internal control.

4. Board of Directors:

A. Board Structure:

The Company has an active, well experienced and a well-informed Board with an optimum mix of Executive and Independent Directors, which is headed by Mrs. Dimple ben P. Shah, Chairperson .The Company has a right blend of Directors on the Board who possess the requisite qualifications, competence, expertise and practical knowledge in General Management, Finance, Human Resources, Compliances, Legal, Research and other allied activities connected to the area of operation of the Company which enables the Board to function smoothly.

The Board provides and evaluates the Company's strategic decisions, management policies and their effectiveness, which shapes the Corporate Governance practices of the Company and ensures that Shareholders' long-term interests are being served. Mr. Pritesh Y. Shah, Managing Director, is assisted by Senior Managerial Personnel in overseeing the functional matters of the Company.

The Board of Directors of your Company comprises of 5 (Five) Directors as on March 31, 2023. The composition of the Board of Directors is summarized below: -

Category	No. of Directors on Board as on March 31, 2023	No. of Directors as on the date of this Report
Chairperson and Executive, Non-Independent Director (Women Director) (Executive Director)	1	1
Managing Director and Chief Financial Officer (Executive Director)	1	1
Executive, Non-Independent Director (Women Director)	1	1
Non-Executive, Independent Director	2	2
Non-Executive, Independent Directors (Women Directors)	1	1
Total	5	5

a. Board Training and Induction:

At the time of appointing a director, a formal Letter of Appointment is given to him / her, which inter alia explains the role, function, duties and responsibilities of a Director of the Company. The Director is also explained in detail the compliances required from him / her under the Companies Act, 2013 and the Listing Regulations and other relevant Regulations and his / her affirmation is taken with respect to the same.

b. Familiarization Programmes for Independent Directors:

The Directors are provided with the requisite documents and reports to enable them to familiarize with the Company's performance and practices. Periodic presentations are made at the Meetings of the Board and Committees thereof, on the business and performance of the Company.

Quarterly updates on relevant statutory changes covering important applicable laws are discussed at the Meetings of the Board.

The details of familiarization programme for Independent Directors have been disclosed on the Company's website at the www.yashchemex.com

c. Board Procedure and Meetings:

The Board, inter alia, focuses on Strategic Planning, Risk Management, Compliance, Corporate Governance to maintain high standards of ethical conduct and integrity and succession planning for the Directors.

The Board of Directors meets at regular intervals to discuss and decide on business strategies/ policies and reviews the financial and operational performance of the Company and its Subsidiary.

The Agenda for the Meetings of the Board and its Committees are circulated in advance as per the provisions of the Companies Act, 2013 and the Rules framed thereunder and Secretarial Standard – 1 (SS-1) on “Board Meetings” issued by the Institute of Company Secretaries of India (ICSI) to the Directors to ensure that sufficient time is provided to Directors to prepare for the Meetings. The Board meets at least once in a quarter to, inter alia, review, approve and take note of quarterly Standalone and Consolidated Financial Results of the Company, various Compliance Report(s) under the applicable laws, major legal issues, regulatory developments, Minutes of the Meeting(s) of the Board and its Committees and those of its Subsidiary Companies, significant transactions entered into with Related Parties and note compliances with other law(s) as applicable to the Company and the Listing Regulations.

The Board has unrestricted access to all the Company-related information which includes information mentioned under Regulation 17 read with Schedule II(A) of the Listing Regulations.

In the path of digitization and with a view to ensure its commitment to “Go-Green” Initiative of the Government and the Yash Chemex Limited, respectively, the Company has started circulating to its Directors, Agenda, Notices and other relevant notes & documents for the Board/Committee Meetings through an electronic platform thereby ensuring high standards of security and confidentiality of Board Meeting related documents.

The Company adheres to the provisions of the Companies Act, 2013 read with the Rules framed thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the Meetings of the Board of Directors and its Committees.

The Company Secretary attends all the Meetings of the Board and its Committees and is, inter alia, responsible for recording the Minutes of such Meetings. The draft Minutes of

the Meetings of the Board and its Committees are sent to the Members for their comments in accordance with the Secretarial Standards and then, the Minutes are entered in the Minutes Book within 30 (thirty) days of the conclusion of the Meetings, subsequent to incorporation of the comments, if any, received from the Directors.

The Meetings of the Board of Directors and its Committees are generally held at the Registered Office of the Company at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015.

During the Financial Year (F.Y.) 2022-23, 9 (Nine) Board Meetings were held on (i.e., i.e.14.04.2022,25.05.2022,12.08.2022,01.09.2022,12.10.2022,08.12.2022,04.01.2023, 12.01.2023 and 09.02.2023) and the maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (One Hundred and Twenty) days. The necessary quorum was present for all the Meetings.

The details of composition of the Board, Directors' attendance at the Board Meetings and at the last Annual General Meeting ("AGM"), are given hereunder: -

ANNUAL REPORT 2022-23

Sr. No.	Name of the Director	Category of Director	Inter-se Relationship amongst Directors	Appointment/ Cessation during the Financial Year 2022-23	No. of Board Meetings attended during the Financial Year 2022-23	Whether attended last AGM held on September 26, 2022 (Present / Absent)	Directorships held in other public Companies incorporated in India as on March 31, 2023	Number of Chairmanship/ Membership in Board Committees in other companies as on March 31, 2023	
								Chairmanship (excluding Membership of Committees)	Membership
1.	Mr. Yashwantlal C. Shah (Chairman) (DIN:01002342)	Promoter, Executive, Non-Independent	Father of Mr. Pritesh Y. Shah Father-in-Law of Mrs. Dimple P. Shah	Cessation because of Demise as on 30.01.2023	06/09	yes	Nil	Nil	Nil
2.	Mr. Pritesh Y. Shah (DIN:00239665)	Promoter, Executive, Non-Independent	Son of Mr. Yashwantlal C. Shah Husband of Mrs. Dimple P. Shah	N/A	9/9	Yes	1	1	1

ANNUAL REPORT 2022-23

3.	Mrs. Dimple P. Shah (DIN:06914755)	Executive, Non-Independent	1. Wife of Mr. Pritesh Y. Shah 2. Daughter in law of Mr. Yashwantlal C. Shah	N/A	9/9	Yes	1	Nil	Nil
4.	Mr. Jinal D. Shah (DIN:07467703)	Non-Executive, Independent	-	N/A	9/9	Yes	Nil	nil	Nil
5.	Ms. Angee R. Shah (DIN:07486980)	Non-Executive, Independent	-	N/A	9/9	Yes	1	Nil	3
6.	Mr. Rushabh A. Shah (DIN:09012222)	Non-Executive, Independent	-	N/A	9/9	Yes	3	2	5

ANNUAL REPORT 2022-23

Details of Directorship of Directors in other Listed Entities and the category of their Directorship as on March 31, 2023:

Sr. No.	Name of Director	Name of Listed Entity where Directorship is held	Category of Directorship
1.	Mr. Pritesh Y. Shah	-	-
2.	Mr. Yashwantlal C. Shah	-	-
3.	Mrs. Dimple P. Shah	-	-
4.	Mr. Rushabh A. Shah	1.Hindprakash Industries Limited 2. Vivanta Industries Limited	Non-Executive Independent Director
5.	Ms. Angee R. Shah	-	-
6.	Mr. Jinal D. Shah	-	-

Note:

1. None of the Directors of the Company as mentioned above is:
 - a. A Director in more than 10 (ten) Public Limited Companies - As per Section 165 of the Companies Act, 2013;
 - b. A Director in more than 8 (eight) Listed Companies- As per Regulation 17(A) of the Listing Regulations
 - c. An Independent Director in more than 7 (seven) Listed Companies or 3 (three) Listed Companies (in case he / she serves as a Whole Time Director in any listed Company - As per Regulation 17 of the Listing Regulations.
 - d. A Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees across all the Indian Public Limited Companies in which he / she is a Director - As per Regulation 26 of the Listing Regulations.

ANNUAL REPORT 2022-23

- e. Number of Equity Shares held by the Directors of the Company and the Dividend paid to them during the Financial Year 2022-23:-

Sr. No.	Name of Director	Shares held as on March 31, 2023	Dividend paid during the Financial Year 2022-23 (in Rs.)
1.	Mr. Pritesh Y. Shah	25,52,720	Nil
2.	Mr. Yashwantlal C. Shah	7,21,365	Nil
3.	Mrs. Dimple P. Shah	8,61,477	Nil
5.	Mr. Jinal D. Shah	NIL	Nil
6.	Ms. Angee R. Shah	NIL	Nil
8.	Mr. Rushabh A. Shah	NIL	Nil

f. Directors seeking Appointment / Re-appointment:

Mr. Pritesh Yashwantlal Shah, Executive Director of the Company is liable to retire by rotation at the ensuing 17th (Seventeenth) AGM of your Company and being eligible, have offered himself for re-appointment.



ANNUAL REPORT 2022-23

Mrs. Dimple P. Shah, Executive Director of the Company is Seeking appointment as a Whole Time Director for the further term of Five Years at the ensuing 17th ((Seventeenth) AGM of your Company and being eligible, have offered herself for appointment as a Whole-time Director.

3. Committees of the Board of Directors– Composition and Terms of Reference:

a. Composition of the Committees:

The composition of various Committees constituted by the Board of Directors during the Financial Year 2022-23 is summarized below: -

Name of the Director	Independent / Non-Independent	Position in the Committee (whether Chairman/Member)		
		Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee
Mr. Jinal D. Shah (Re-appointed w.e.f 09.04.21)	Independent Director	Chairman	Chairman	Chairman
Ms. Angee R. Shah (Re-appointed w.e.f 09.04.21)	Independent Director	Member	Member	Member
Mr. Rushabh A. Shah	Independent Director	Member	Member	Member
Mr. Pritesh Y. Shah	Non-Independent Director	Member	N/A	N/A

b. Attendance details of Committee Meetings of Board of Directors during the Financial Year 2022-23 is summarized below:

Name of the Committee	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee
Number of Meetings held	7	5	5
Attendance of Directors			
Mr. Jinal D. Shah (Re-appointed w.e.f 09.04.21)	7/7	5/5	5/5
Ms. Angee R. Shah (Re-appointed w.e.f 09.04.21)	7/7	5/5	5/5
Mr. Pritesh Y. Shah	7/7	N.A.	N.A.
Mr. Rushabh A. Shah	7/7	5/5	5/5

DATE OF COMMITTEE MEETING	JINAL SHAH	ANGEE SHAH	PRITESH Y. SHAH	RUSHABH A SHAH
AUDIT COMMITTEE				
14/04/2022	YES	YES	YES	YES
25/05/2022	YES	YES	YES	YES
12/08/2022	YES	YES	YES	YES
31/08/2022	YES	YES	YES	YES
12/10/2022	YES	YES	YES	YES
04/01/2023	YES	YES	YES	YES
09/02/2023	YES	YES	YES	YES
NOMINATION AND REMUNERATION COMMITTEE				
14/04/2022	YES	YES	N/A	YES
01/07/2022	YES	YES	N/A	YES
31/08/2022	YES	YES	N/A	YES
12/10/2022	YES	YES	N/A	YES
12/01/2023	YES	YES	N/A	YES
STAKEHOLDERS RELATIONSHIP COMMITTEE				
14/04/2022	YES	YES	N/A	YES
01/07/2022	YES	YES	N/A	YES
31/08/2022	YES	YES	N/A	YES
12/10/2022	YES	YES	N/A	YES
12/01/2023	YES	YES	N/A	YES

Note

N.A. indicates not a Member of the Committee .

c. Skills Matrix for the Board of Directors:

At YCL, we recognize the importance of having a Board comprising of Directors who have a range of experiences, capabilities and diverse point of view which helps in creating an effective and well-rounded Board.

The list of Core skills/expertise/capabilities for the Board Members outlined by the Nomination and Remuneration Committee of the Board of Directors and approved by the Board are as under:

- **Strategy & Business-** Is or has been the Director or held any other leadership position in an organization leading to significant experience in strategy or business management; Brings ability to identify and assess strategic opportunities and threats in the context of the business.
- **Industry Expertise-** Has expertise with respect to the sector in which the organization operates in; Has an understanding of the 'big picture' in the given industry and recognizes the development of industry segments, trends, emerging issues and opportunities.
- **Market Expertise-** Has expertise with respect to the geography in which the organization operates in; Understands the macro-economic environment, the nuisances of the business, consumers and trade in the geography, and has the knowledge of the regulations & legislations of the market/(s) the business operates in.
- **Technology Perspective–** Has expertise with respect to business specific technologies such as in the field of R & D. Has experience and adds perspective on the future ready skills required by the organization such as E-Commerce, Digital, Sustainability, etc.
- **People & Talent Understanding-** Has experience in Human Resource Management such that they bring in a considered approach to the effective management of people in an organization.
- **Governance, Finance & Risk-** Has an understanding of the law and application of Corporate Governance principles in a commercial enterprise of similar scale. Capability to provide inputs for Strategic Financial Planning, Assess Financial

Statements and oversee budgets for the efficient use of resources. Ability to identify key risks for the business in a wide range of areas including legal and regulatory.

- **Diversity of Perspective-** Provides a diversity of views to the Board that is valuable to manage our Customer, Consumer, Employee, Key Stakeholder or Shareholders

d. **Composition and Terms of Reference of the Committees:**

i. **Audit Committee:**

In terms of Regulation 18 of the Listing Regulations and Section 177 of the Act, the Audit Committee of the Board of Directors, as on March 31, 2023, comprised of the following 4 (Four) Directors as Members:

Sr. No.	Name of Director(s)	Nature of Membership & Designation
1.	Mr. Jinal D. Shah	Chairman (Independent Director)
2.	Ms. Angee R. Shah	Member (Independent Director)
3.	Mr. Rushabh A. Shah	Member (Independent Director)
4.	Mr. Pritesh Y. Shah	Member (Executive, Non-Independent Director)

All the Members of the Audit Committee are financially literate and possess sound knowledge of Financial Management, Accounting Practices and Internal Controls.

Ms. Charmi Shah, Company Secretary & Compliance Officer, was the Secretary to the Audit Committee. (Up to 12th January, 2023)

The terms of reference of Audit Committee include the matters specified in Section 177 of the Companies Act, 2013 as well as the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation of the appointment, remuneration and terms of appointment of Statutory Auditors and Secretarial Auditors, of the Company.

3. Approval of payment to Statutory Auditors, including Secretarial Auditors, for any other services rendered by them.
4. Reviewing, with the Management, the Annual Financial Statements and Auditors' Report thereon before submission to the Board for its approval, with particular reference to:
 - I. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause(c)of sub-section (3) of Section 134 of the Companies Act, 2013.
 - II. Changes, if any, in accounting policies and practices and reasons for the same.
 - III. Major accounting entries involving estimates based on the exercise of judgement by management.
 - IV. Significant adjustments made in the Financial Statements arising out of audit findings.
 - V. Compliance with listing and other legal requirements relating to Financial Statements.
 - VI. Disclosure of any related party transactions.
 - VII. Modified opinion(s) in the draft audit report.
5. Reviewing, with the Management, the quarterly Financial Statements before submission to the Board for approval.
6. Reviewing, with the Management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the Auditor's independence and performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions with Related Parties of the Company.
9. Scrutiny of Inter-Corporate Loans and Investments.
10. Considering valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of Internal Financial Controls and Risk Management Systems.
- 12a. Reviewing, with the Management, performance of Statutory Auditors, Internal Auditors and Secretarial Auditors.
- 12b. Reviewing with the Management adequacy of the Internal Control Systems.
13. Reviewing the adequacy of internal audit function, if any including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with Internal Auditors of any significant findings and follow up thereon.

15. Reviewing the findings of any internal investigations by the Internal Auditors into the matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board.
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
17. Looking into the reasons for substantial defaults, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors.
18. Reviewing the functioning of the Whistle Blower Mechanism / oversee the Vigil Mechanism.
19. Approval of appointment of Chief Financial Officer after assessing qualifications, experience, and background etc. of the candidate.
20. Mandatorily reviewing the following:
 - I. Management Discussion and Analysis of financial condition and results of operations.
 - II. Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by Management.
 - III. Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
 - IV. Internal Audit reports relating to internal control weaknesses.
 - V. The appointment, removal, and terms of remuneration of the Chief Internal Auditor.
 - VI. Statement of deviations:
 1. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchanges(s) in terms of Regulation 32(1) of SEBI Listing Regulations.
 2. Annual statement of funds utilized for purpose other than those stated in the offer document/prospectus in terms of Regulation 32(7) of SEBI Listing Regulations;
21. Reviewing Financial Statements, in particular the investments made by the Company's unlisted subsidiaries.
22. Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time, at least once in a Financial Year and shall verify that the systems for Internal Controls are adequate and are operating effectively.
23. Noting the report of Compliance Officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015.

24. Formulating the scope, functioning, periodicity of and methodology for conducting the internal audit.
25. Reviewing show cause, demand, prosecution notices and penalty notices, which are materially important.
26. Reviewing any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
27. Reviewing any issue, which involves possible public, or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
28. Details of any Joint Venture or collaboration agreement.
29. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
30. Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement if material.
31. Reviewing the utilization of loans and / or advances from / investment by the holding Company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
32. Investigation into any above matter or referred to it by the Board of Directors and for this purpose, it to have full access to information contained in the records of the Company and external professional advice, if necessary.
33. Carrying out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.”

Further, the Quorum for a Meeting of the Audit Committee shall either be 2 (two) Members or 1/3rd (One Third) of the total strength Of the Committee, whichever is greater, with at least 2 (two) Independent Directors in attendance and the Audit Committee shall meet at least 4 (Four) times in a year and not more than 120 (One Hundred and Twenty) days shall elapse between two Meetings.

During the Financial Year (F.Y.) 2022-23, there were 7 (Seven) Meetings of the Audit Committee of the Board of Directors, (i.e., on 14.04.2022,25.05.2022,12.08.2022,31.08.2022,12.10.2022, 04.01.2023 and 09.02.2023)

The necessary quorum was present for all the Meetings of the Audit Committee of the Board of Directors.

ii. Nomination and Remuneration Committee:

a. Composition:

In terms of Regulation 19 of the Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee, as on March 31, 2023, comprised of the following 5 (Five) Directors as Members:

Sr. No.	Name of Director(s)	Nature of Membership & Designation
1.	Mr. Jinal D. Shah	Chairman (Independent Director)
2.	Ms. Angee R. Shah	Member (Non-Executive, Independent Director)
3.	Mr. Rushabh A. Shah	Member (Non-Executive, Independent Director)

Ms. Charmi Shah, Company Secretary & Compliance Officer, was the Secretary to the Nomination and Remuneration Committee (up to 12th January ,2023).

b. Terms of Reference:

The terms of reference of Nomination and Remuneration Committee have been re-stated as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The terms of reference of the Nomination and Remuneration Committee are as follows: -

- a. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the appointment and remuneration in whatever form payable to the Directors, Key Managerial Personnel and other Senior Management employees.
- b. To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors in accordance with the Nomination and Remuneration Policy.
- c. To devise a policy on diversity of Board of Directors.
- d. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and or removal.
- e. To consider extension or continuation of the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;

- f. To specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- g. To recommend to the Board of Directors, qualifications, appointment, remuneration (in whatever form) and removal of directors, key managerial personnel and persons in senior management positions in accordance with the Nomination and Remuneration Policy;
- h. To make necessary recommendation(s) to the Board of Directors for amendment / revision of the Nomination and Remuneration Policy of the Company from time to time, as it may deem fit.
- i. To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.

The composition of the Nomination and Remuneration Committee shall be as mentioned herein below or as may be prescribed by the Companies Act and the Listing Regulations. The Chairman of the Nomination and Remuneration Committee shall be an Independent Director and shall be present at Annual General Meeting.

The Quorum for the Meeting of the Nomination and Remuneration Committee shall either be 2 (two) Members or 1/3rd (one third) of the total strength of the Committee, whichever is higher (including at least one Independent Director in attendance) and the Nomination and Remuneration Committee shall meet at least once in a year.

During the Financial Year (F.Y.) 2022-23, there were 5 (Five) Meetings of the Nomination and Remuneration Committee of the Board of Directors were (i.e. on 14.04.2022, 01.07.2022, 31.08.2022, 12.10.2022 and 12.01.2023). The necessary Quorum was present for all the Meetings of the Nomination and Remuneration of the Board of Directors held during the Financial Year 2022-23.

c. Performance Evaluation Criteria for Independent Directors:

Performance evaluation of Directors is carried out through a structured questionnaire which was prepared after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The evaluation of Independent Directors shall be done by the entire Board of Directors which shall include –

- a. Performance of the Directors; and
- b. Fulfilment of the independence criteria as specified in this Terms of Reference and their Independence from the management:

Provided that in the above evaluation, the Directors who are subject to evaluation shall not participate.

In particular, an Independent Director shall be a person who shall:

- I. uphold ethical standards of integrity and probity.
- II. Act objectively and constructively while exercising his duties.
- III. Exercise his responsibilities in a bona fide manner in the interest of the Company.
- IV. Devote sufficient time and attention to his professional obligations for informed and balanced decision making.
- V. Not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board of Directors in its decision making.
- VI. Not abuse his position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
- VII. Refrain from any action that would lead to loss of his independence.
- VIII. Where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly.
- IX. Assist the Company in implementing the best Corporate Governance practices.

d. Remuneration to Directors:

- **Directors with Material Significant Related Party Transactions, pecuniary or business relationship with the Company:**

Except drawing remuneration by Managing Director, receipt of Sitting Fees by other Directors for attending the Board / Committee Meetings, none of the Directors have any other Material Significant Related Party Transactions, pecuniary or business relationship with the Company. Attention of the Shareholders is drawn to the disclosures of transactions with related parties set out in Note No. 46 to the Standalone Financial Statements forming part of this Annual Report **2022-23**.

- **Remuneration of the Non-Executive Directors:**

- 1. Remuneration / Commission:**

The remuneration / commission shall be in accordance with the statutory provisions of the Act and the Rules made thereunder for the time being in force.

- 2. Sitting Fees:**

The Non- Executive / Independent Director receive remuneration by way of fees for attending meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the applicable law from time to time.

- 3. Limit of Remuneration / Commission:**

Remuneration/ Commission may be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 1% of the Net Profits of the Company computed as per the applicable provisions of the Act.

- 4. Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

The details of Sitting Fees & Commission paid to Non-Executive Directors during the Financial Year 2022-23 are as follows: -

Sr. No.	Name of Non-executive Director	Sitting Fees (in Rs.)		Total (in Rs.)
		For Board Meetings	For Committee Meeting	
1.	Mr. Jinal D. Shah	5000	15000	20,000
2.	Ms. Angee R. Shah	5000	20000	25,000
3.	Mr. Rushabh A. Shah	5000	25000	30000

- **Remuneration of the Executive Director:**

Attention of the Shareholders is drawn to the disclosures of remuneration mentioned in the Notice of Meeting and Explanatory Statements thereto forming part of this Annual Report 2022-23.

- **Policy for Selection and Appointment of Directors and their Remuneration:**

The Nomination and Remuneration Committee has adopted a Policy which, inter alia, deals with the manner of selection /appointment of Directors on the Board of Directors, including Managing Director and Whole Time Director, if any, and their remuneration.

The Nomination & Remuneration Committee evaluates the candidature of prospective in line with the Nomination and Remuneration Policy and the skill sets stated above and makes suitable recommendation to the Board for final approval.

The Nomination and Remuneration Policy of the Company has been uploaded and can be accessed on the Company's website at www.yashchemex.com.

- iii. **Stakeholders' Relationship Committee:**

In terms of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act, the Stakeholders' Relationship Committee, as on March 31, 2023, comprised of the following 5 (Five) Directors as Members:

Sr. No.	Name of Director(s)	Nature of Membership & Designation
1.	Mr. Jinal D. Shah	Chairman (Independent Director)
2.	Ms. Angee R. Shah	Member (Non-Executive, Independent Director)
3.	Mr. Rushabh A. Shah	Member (Non-Executive, Independent Director)

The terms of reference of Stakeholders' Relationship Committee of the Board of Directors to include the amendments of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The functioning and the terms of reference of the Committee are as prescribed and in due compliance with Regulation 20 read with Part D of Schedule II to the Listing Regulations and Section 178 of the Companies Act, 2013.

The terms of reference of the Stakeholders' Relationship Committee are as follows: -

- a. To oversee and review all matters connected with transfer of Company's securities.
- b. To approve issue of duplicate of shares / debentures certificates.
- c. To oversee the performance of the Company's Share Transfer Agent.
- d. To resolve the grievances of the Security Holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- e. To investigate into complaints relating to allotment of shares, approval of transfers or transmission of shares, debentures, or any other securities.
- f. To review the measures taken for effective exercise of voting rights by Shareholders.
- g. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Share Transfer Agent and recommend methods to upgrade the service standards adopted by the Company.
- h. To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the security holders of the Company.
- i. To investigate into complaints relating to allotment on Shares, approval of Transfer or Transmission of Shares, Debentures, or any other securities.
- j. To specifically look into various aspects of Shareholders, Debenture Holders and other Security Holders.
- k. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable."

The Stakeholders' Relationship Committee shall comprise of at least 3 (three) Directors, at least one being Independent Director or the composition shall be as may be prescribed by the Companies Act and the SEBI Listing Regulations. The Chairman of the Stakeholders' Relationship Committee shall be an Independent Director and shall be present at every Annual General Meeting of the Company.

The Stakeholders' Relationship Committee shall meet at least once in a year.

During the Financial Year (F.Y.) 2022-23, there were 5 (Five) Meetings of the Stakeholders' Relationship Committee of the Board of Directors were held i.e. on 14.04.2022, 01.07.2022, 31.08.2022, 12.10.2022 and 12.01.2023. The necessary Quorum was present for all the Meetings of the Nomination and Remuneration of the Board of Directors held during the Financial Year 2022-23.

Name and Designation of Compliance Officer:

Ms. Charmi Shah was the Company Secretary & Compliance Officer of the Company (up to 12th January, 2023) and then after Ms. Riddhi D. Shah has been appointed as an authorised person for handling Investor Complaints of the Company for the Year 2022-23.

Details of Investor Complaints received during the Financial Year 2022-23, are as follows:

Complaints outstanding as on April 1, 2022	Nil
Complaints received during the year ended March 31, 2023	Nil
Complaints resolved during the year ended March 31, 2023	Nil
Complaints outstanding as on March 31, 2023	Nil

iii. Meeting of Independent Directors:

Pursuant to Schedule IV of the Companies Act, 2013 & Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, one-half of the composition of the Board of Directors consists of Independent Directors.

During the year under review, the Independent Directors met on March 31, 2023, inter alia, to discuss: -

- a. Evaluation of performance of Non - Independent Directors and the Board of Directors as a whole.
- b. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non - Executive Directors.
- c. Evaluation of the quality, content, and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and are Independent from the Management. The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 read with the Rules made thereunder.

1. General Body Meetings:

i. Details of last three Annual General Meetings:

The date, time, and venue of Annual General Meetings (AGMs) held during the preceding 3 (three) Financial Years are as follows:

AGM for the Financial Year	Date	Time	Venue
2019-20 (14 th AGM)	September 30, 2020	04.00 p.m.	Video Conference("VC")/Other Audio-Visual Means("OAVM") through WEBEX Platform
2020-21 (15 th AGM)	September 29, 2021	02.30 p.m.	411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015
2021-22 (16 th AGM)	September 26, 2022	02.30 p.m.	411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015

ii. **Details of Special Resolutions passed during the previous three Financial Years (i.e., 2019-20 ,2020-21 and 2021-22):**

a. **Special Resolutions passed in Annual General Meetings (AGMs):**

Date of AGM	Details of Special Resolution passed
September 30, 2020	<p>-To appoint a director in place of Mr. Yashwant C. Shah (DIN:01002342), who retires by rotation and being eligible, offers himself for re-appointment, as a Director of the company.</p> <p>-To make loans or investment and to give guarantee or to provide security in connection with a loan made under Section 186 of the Companies Act, 2013</p> <p>-To approve the Re-appointment of Ms. Vrusha A. Patel (DIN:07772669), as an Independent Director</p>
September 29, 2021	<p>-To make loans or investments and to give guarantees or to provide security in connection with a loan made under Section 186 of the Companies Act, 2013.</p> <p>- To approve payment of remuneration to Mr. Yashwantlal Shah (DIN:01002342), Whole Time Director</p> <p>-To re-appoint Mr. Yashwantlal C. Shah (DIN:01002342), As a Whole Time Director</p> <p>-To approve payment of remuneration to Mr. Pritesh Shah (DIN:00239665), Managing Director</p> <p>- To approve payment of remuneration to Mrs. Dimple Shah (DIN:06914755), Executive Director</p> <p>- Approval of loans, investments, guarantee or security under Section 185 of Companies Act, 2013</p> <p>- To authorise the Board of Directors to borrow money over and above the paid-up capital, free reserves and securities premium of the Company</p> <p>- To authorise the Board of Directors to sell, lease or otherwise dispose of, to mortgage/create charges on the properties of the Company</p> <p>- To regularise an Additional Director, Mr. Rushabh A. Shah (DIN:09012222) by appointing him as an Independent Director of the Company</p>

	<ul style="list-style-type: none"> - To regularise an Additional Director, Mr. Jinal D. Shah (DIN:07467703) by appointing him as an Independent Director of the Company - To regularise an Additional Director, Miss Angee R. Shah (DIN:07486980) by appointing her as an Independent Director of the Company.
September 26, 2022	<ul style="list-style-type: none"> -To make loans or investments and to give guarantees or to provide security in connection with a loan made under Section 186 of the Companies Act, 2013. -- Approval of loans, investments, guarantee or security under Section 185 of Companies Act, 2013 - To authorise the Board of Directors to borrow money over and above the paid-up capital, free reserves, and securities premium of the Company - To authorise the Board of Directors to sell, lease or otherwise dispose of, to mortgage/create charges on the properties of the Company

b. Special Resolutions passed at the Extra-ordinary General Meetings (EGMs):

Date of EGM	Number of Special Resolutions passed	Details of Special Resolution passed
April 11, 2018	1	Alteration of Objects Clause in the Memorandum of Association of the Company
January 21, 2019	1	Alteration in Articles of Association of the Company

c. Special Resolutions passed by Postal Ballot:

During the Financial Year (F.Y) 2022-23, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and

Administration) Rules 2014, there was not any Special Resolutions passed by Shareholders through Postal Ballot.

5. Means of Communication:

All vital information relating to the Company and its performance, including Quarterly and Annual Financial Results, disclosures of material events are posted on the website of the Company, viz., www.yashchemex.com. The Quarterly Financial Results of the Company's performance are published in leading English newspapers 'Free Press Gujarat' and 'Lokmitra' Gujarati Newspaper. The Financial Results of the Company are also available on the websites of BSE Limited viz., www.bseindia.com.

The Company files electronically the Quarterly and Annual Financial Results, Corporate Governance Report, Shareholding Pattern, etc. Through BSE Listing Centre.

6. Disclosures:

I. Material Significant Related Party Transactions:

All transactions entered with Related Parties as defined under the Act and the Listing Regulations during the Financial Year (F.Y.) 2022-23 were in the ordinary course of business and within the limits as approved by the Shareholders. There were no material significant transactions with Related Parties during the Financial Year 2022-23 which were in conflict with the interest of the Company.

In preparation of the Financial Statements for the Financial Year (F.Y.) 2022-23, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Act, read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. Suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements. Attention of the Shareholders is drawn to the disclosure of transactions with Related Parties as set out for the Financial Year (F.Y.) 2022-23 in Note No. 46 of the Standalone Financial Statement, forming a part of the Annual Report. None of the transactions with any of the Related Parties conflicted with the Company's interest.

The Policy on Related Party Transactions is available on the website of the Company at the weblink viz., www.yashchemex.com.

There were no materially significant Related Party Transactions that may have potential conflict with the interests of the Company at large.

Except for drawing remuneration by the Managing Director and payment of sitting fees to Non-Executive Directors, none of the Directors have any other material significant Related Party Transactions, pecuniary or business relationship with the Company.

II. Policy on Material Subsidiaries:

Yasons Chemex Care Limited, is a Material Subsidiary of your Company whose turnover or net worth (i.e., Paid-up capital and free reserves) exceeds 20% (twenty per cent) of the consolidated turnover or net worth respectively of the Company and its subsidiary in the immediately preceding accounting year. The Audited Annual Financial Statements of Subsidiary Company is tabled at the Meeting of the Board of Directors of the Company held on May 25, 2022. Copies of the Minutes of the Board Meetings of Subsidiary Companies are circulated at the subsequent Board Meetings. Your Company has formulated a Policy for determining the Material Subsidiaries as defined in Regulation 16 of the Listing Regulations. The Audit Committee reviews the Financial Statements including major investments made in Material Unlisted subsidiary of the Company.

The Management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of your Company, a statement of all significant transactions and arrangements entered by the unlisted subsidiary.

This Policy on Material Subsidiaries is available on the website of the Company at the weblink viz., www.yashchemex.com

III. Vigil Mechanism and Whistle Blower Policy:

Your Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal, unethical behaviour and actual or suspected fraud or violations of Company's Code of Conduct. The Company has a Whistle Blower Policy wherein the employees are free to report violations of laws, rules, regulations, or unethical conduct to the Whistle Blowing Officer of the Company. No personnel /employee of the Company has been denied access to the Chairman of the Audit Committee of the Company. The confidentiality of the reported violations, if any, is maintained and the employees reporting violations are not subjected to any discriminatory practice.

Vigil Mechanism / Whistle Blower Policy is posted on the website of your Company, viz., www.yashchemex.com.

IV. Details of Compliance with Mandatory Requirements and Adoption of Non-Mandatory Requirements:

The Company complies with all the mandatory requirements of Company law, Securities law & other applicable laws and has also adopted some of the non-mandatory requirements and has complied with the following non - mandatory requirements: -

1. Separate Positions of Chairman and Managing Director:

The Company has separate positions for Chairman and Managing Director. Mr. Pritesh Yashwantlal Shah is the Managing director of the company. Mr. Yashwantlal C. Shah (Executive / Non-Independent) was the “Chairman” of the Company and after the demise of Mr. Yashwantlal C. Shah (30th January,2023), Mrs. Dimple Pritesh Shah (Executive / Non-Independent) is Appointed as Chairperson of the Company.

V. Policy for Prevention of Sexual Harassment at the Workplace:

Your Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited. Your Company has formed an Internal Complaints Committee pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“the said Act”). While the said Act is applicable only to the women employees, your Company’s policy covers all the employees.

The details of complaints received during the Financial Year ended March 31, 2023 are as follows:

- a. Number of complaints filed during the Financial Year –Nil
- b. Number of complaints pending as on end of the Financial Year- Nil

VI. Details of Non-compliance on matters related to Capital Markets:

There has not been any non-compliance by the Company and no penalties or strictures were imposed on your Company by any of the Stock Exchange(s) or the Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last 3 (three) Financial Year.

VII. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

During the Financial Year (F.Y.) 2022-23, the Company has not raised funds through any kind of issue (public issue, rights issue, preferential issue, etc.).

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

Certificate issued by Yashree Dixit & Associates, Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority is annexed to this Corporate Governance Report.

IX. Disclosure about instances where the Board had not accepted any recommendation of any Committee of the Board, which is mandatorily required, in the relevant Financial Year:

During the Financial Year (F.Y.) 2022-23, there were no instances reported / recorded, where the Board of Directors of the Company did not accept recommendations of any of its committees.

X. Risk Management:

Your Company continuously monitors business and operational risks. All key functions and divisions are independently responsible to monitor risks associated within their respective areas of operations. Your Company has formulated the said Risk Management Policy for identification of risks is also made available on the website of your Company at the weblink viz., www.yashchemex.com

The Board of Directors of your Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of your Company.

XI. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

Commodity Price Risk:

Your Company is in the business of trading of Chemicals. Hence, material input price risk exists for the business (volatility).

Currency Risk:

The functional currency of Company is primarily the local currency in which it operates. The currencies in which the transactions are primarily denominated are in Indian Rupees (INR). The Company is exposed to currency risk in respect of transactions in foreign currency. Foreign currency revenues and expenses are in the nature of export sales and import purchases.

XII. General Shareholder Information:

a) Registered Office:

411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad- 380015.

b) 17th Annual General Meeting:

Date	Day	Time	Venue
26 th September, 2023	Tuesday	04:00 P.M.	411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015

c) Financial Calander:

Financial Year: From 1st April 2022 to 31st March 2023.

During the Financial Year ended March 31, 2023, Financial Results were announced as under:

Date	Quarter / Annual
25 th May,2022	Annual
12 th August,2022	Quarterly
12 th October,2022	Half Yearly and Quarterly
9th February,2023	Quarterly

d) Book Closure Dates and Dividend Payment Date:

The Book Closure dates are from **Saturday, September 18, 2023 to Tuesday , September 26, 2023** (both days inclusive).

e) Corporate Identification Number (CIN):

Your Company's CIN, allotted by the Ministry of Corporate Affairs is L74110GJ2006PLC048385. Your Company is registered at Ahmedabad in the State of Gujarat, India

f) Listing Details & Listing Fees:

Payment of Listing Fees: -

The Company is listed on BSE Limited ("BSE") The International Securities Identification Number (ISIN) Number of the Company for both NSDL & CDSL is INE571U01010. Your Company has paid the Annual Listing fees for the Financial Year 2022-23 to BSE.

Payment of Depository Fees:-

Annual Custody / Issuer Fee for the Financial Year 2022-23 has been paid by your Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

g) Stock Data:

Name of Stock Exchange	Scrip Code
BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai – 400 001, Maharashtra	539939

Tables 1 below, gives the monthly high and low prices and volumes of Equity Shares of the Company at BSE for the Financial Year ended March 31, 2023.

Table 2 below, compares the Company's share price at the BSE with the Sensex and

Table 3: - Distribution of Shareholding by Size as on March 31, 2023

Table 4: Distribution of Shareholding by Ownership as on March 31, 2023

Table 1: Monthly high and low prices and volumes of Equity Shares of the Company at BSE for the Financial Year ended March 31, 2023

Stock Exchange	BSE		
Month	HIGH (Rs)	LOW (Rs)	VOLUME (No. of Shares)
April 2022	62.45	54.25	3,76,913
May 2022	64.00	52.10	2,57,334
June 2022	60.45	48.25	4,00,329
July 2022	59.00	46.55	3,49,133
August 2022	56.5	40.8	1,56,159
September 2022	57.9	46.2	2,17,283
October 2022	74.75	48.70	6,46,645
November 2022	71.9	55.4	5,71,926
December 2022	76.4	66.10	8,21,159
January 2023	100.8	61.6	6,57,949
February 2023	87.85	68.60	3,94,746
March 2023	79.00	68	2,73,505

Table 2: - Company's Share Performance as compared to BSE Sensex for the Financial Year 2022-23:

Month	YCL Monthly Close Price on BSE (in Rs)	BSE Monthly Sensex Close
April 2022	60.85	57060.87
May 2022	56.95	55566.41
June 2022	57.85	53018.94
July 2022	54.2	57570.25
August 2022	48.85	59537.07
September 2022	52.05	57426.92
October 2022	64.25	60746.59
November 2022	69.3	63099.65
December 2022	71.5	60840.74
January 2023	83.2	59549.9
February 2023	74.85	58962.12
March 2023	69.7	58991.52

Table 3: - Distribution of Shareholding by Size as on March 31, 2023:

Number of Shares	Number of Shareholders	Shareholders %	Shareholding %
1 -5000	2891	94.97	8.1664
5001- 10000	57	1.87	4.0566
10001- 20000	41	1.35	5.8290
20001- 30000	20	0.66	4.6887
30001- 40000	05	0.16	1.5872
40001- 50000	07	0.23	3.0046
50001- 100000	11	0.36	8.71
100001 & Above	12	0.39	63.95
Total	3044	100	100

Table 4: Distribution of Shareholding by Ownership as on March 31, 2023:

Category (As being reported to Stock Exchanges)	No. of Equity Shares	% of Shareholding
CLEARING MEMBER	7,012	0.0685
CORPORATE BODIES	3,10,729	3.0334
NON-RESIDENT INDIAN	8,980	0.0877
PROMOTERS	28,99,169	28.30
PROMOTERS / DIRECTORS	34,14,197	33.33
PUBLIC	36,03,338	35.18
Total	1,02,43,425	100

(The details given above are as per BENPOS received from Big share Services Private Limited, Registrar and Share Transfer Agent dated March 31, 2023.)

Shares held in physical and dematerialized form:

As on March 31, 2023, the break-up of share capital of the Company held in physical and dematerialized form is as under:

Mode	No. of Equity Shares	Percentage
Demat shares with NSDL	70,53,519	68.86
Demat shares with CDSL	31,89,906	31.14
Shares held in physical mode	0	0
Total	1,02,43,425	100

(The details given above are as per BENPOS received from BIGSHARE SERVICES PRIVATE LIMITED, Registrar and Share Transfer Agent as on March 31, 2023.)

Share Transfer System:

The Company obtains from a Company Secretary in Practice, a Annually Certificate (April,2022 – March ,2023) to the effect that all certificates have been issued within 30 (thirty) days of the date of lodgement of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with the Stock Exchanges where the Company's shares are listed.

Reconciliation of Share Capital Audit Report:s

As per Regulation 76 of the Securities and Exchange Board of India (Depository and Participants) Regulations 2018, a qualified Practicing Company Secretary carried out an Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total physical holding with the total issued and listed capital. This Audit is carried out every quarter and report thereon is submitted to the Stock Exchange(s) where the Company's shares are listed. The Audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form, as stated in the Reconciliation Share Capital Audit Report submitted to the Stock Exchange(s).

Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants / Any Convertible Instruments and their likely impact on equity:

The Company does not have any outstanding GDRs / ADRs / warrants /convertible instruments as on March 31, 2023.

Registrar and Share Transfer Agents and Share Transfer System:

Share transfer is affected within a maximum period of 30 (thirty) days from the date of receipt, subject to documents being valid and complete in all respects. The Company obtains from a Company Secretary in Practice, a Half Yearly Certificate to the effect that all certificates have been issued within 30 (thirty) days from the date of lodgement of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the SEBI Listing Regulations and files a copy of the said certificate with the Stock Exchanges where the Company's shares are listed. The Board has approved transfer, transmission, etc. of the Company's shares to the Company Secretary/ Authorised Representatives of Big share Services Private Limited, Registrar and Share Transfer Agent. A summary of transfer/transmission of shares of the Company so approved by the Company Secretary / Authorised Representatives of Big share Services Private Limited, is placed at the Stakeholders' Relationship Committee Meeting.

Contact details of Bigshare Services Private Limited, our Registrar and Share Transfer Agents are as under: -

BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol-Andheri, Mumbai - 400059

Tel: 022-626382200

E-mail: investors@bigshareonline.com.

website: www.bigshareonline.com

Credit Ratings:

During the Financial Year (F.Y.) 2022-23, the Credit Rating granted by SMERA Rating Limited to your Company has been reaffirmed at SMERA MSE -1.

Address for Correspondence:

Riddhi Shah

Company Secretary and Compliance Officer

411, SIGMA ICON -1, 132FT RING ROAD,

OPP MEDILINK HOSPITAL, SATELLITE

AHMEDABAD GJ 380015 IN

Tel. No.: 079- 40028639

Website: www.yashchemex.com

Email: cs@yashchemex.com

Investor Correspondence should be addressed to:

Bigshare Services Pvt. Ltd.

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,

Makwana Road, Marol-Andheri, Mumbai - 400059

Tel: 022-626382200

E-mail: investors@bigshareonline.com.

website: www.bigshareonline.com

Exclusive e-mail id for Investors / Shareholders:

The Company has designated an e-mail id to enable the Shareholders and Investors to correspond with the Company. The e-mail id is cs@yashchemex.com

SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web-based complaints redress system.

The salient features of this system are:

1. Centralized database of all complaints.
2. Online upload of Action Taken Reports (ATRs) by concerned companies; and
3. Online viewing by investors of actions taken on the complaint and its current status.

Non-compliance of any Requirement of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations

The Company has complied with all the requirements in this regard, to the extent applicable.

Code of Conduct

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company at the weblink <http://www.yashchemex.com> . The declaration by the Managing Director stating that all the Board Members and Senior Management Personnel have affirmed their compliance with the laid down Code of Conduct for the Financial Year ended March 31, 2022, is annexed to this Corporate Governance Report.

Disclosures by Management to the Board of Directors

Your Company had received disclosures from all the Senior Management Personnel stating that none of them had any personal interest in any of the financial and commercial transactions entered into by the Company during the Financial Year 2022-23. Interested Directors, if any, neither participate in discussions, nor do they vote on such matters.

Public, Rights and Other Issues:

There were no Public, Rights and Other Issues during the Financial Year 2022-23.

CFO and MD Certification

Mr. Pritesh Y. Shah, Managing Director cum Chief Financial Officer of the Company give Annual Compliance Certificate in accordance with Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 / Clause 49 of Listing Agreement with the Stock Exchange(s).

The Annual Compliance Certificate given by Chief Financial Officer & Managing Director is published in the Annual Report.

Accounting Standards/Treatment

The Company has complied with the applicable Accounting Standards specified u/s 133 of the Act. The financial statements for the year have been prepared in accordance with and in compliance of schedule III notified by the Ministry of Corporate Affairs (MCA).³

Going Concern

The directors are satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently consider it appropriate to adopt the going concern basis in preparing the financial statements.

Share Capital Audit Report

As required by the Securities and Exchange Board of India (SEBI) quarterly audit of the Company's share capital for the quarter ended is being carried out by M/s. YASHREE DIXIT & ASSOCIATES. (CP No.: 19206, FCS: 12221), Company Secretaries with a view to reconcile the total share capital admitted with National Securities Depository Limited

(NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to Stock Exchanges.

Certificate form Company Secretary in Practice regarding appointment and continuation of directors:

The Company has obtained the Certificate from Secretarial Auditors M/s. YASHREE DIXIT & ASSOCIATES. (CP No.: 19206, FCS: 12221), Company Secretaries that none of the Directors of the Company are debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI / MCA or any such authority for the Financial Year ending on 31 March, 2023, which is annexed as Annexure E .

Certificate on Compliance with the conditions of Corporate Governance under SEBI Listing Regulations

The Company has obtained the Certificate from Secretarial Auditors M/s. YASHREE DIXIT & ASSOCIATES (CP No.: 19206, FCS: 12221), Company Secretaries the conditions of Corporate Governance under SEBI Listing Regulations is complied with which is annexed as Annexure F

Management Discussion and Analysis Report

Management Discussion and Analysis Report forms a part of this Annual Report.

Disclosure of Accounting Treatment in preparation of Financial Statements

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India and comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act.

Disclosures of compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations

Sr. No.	Particulars	Regulation	Compliance Status Yes/No/N.A.	Compliance observed for the following:
1.	Board of Directors	17& 17A	Yes	<ul style="list-style-type: none"> • Board Composition • Meeting of Board of Directors • Review of Compliance Reports • Plans for Orderly Succession for Appointments • Code of Conduct • Fees/Compensation • Minimum Information to be placed before the Board • Compliance Certificate • Risk Assessment and Management • Performance Evaluation of Independent Directors • Explanatory Statement to be annexed to General Meeting • Maximum Number of Directorships
2.	Audit Committee	18	YES	<ul style="list-style-type: none"> • Composition • Meeting of Audit Committee • Powers of Audit Committee • Role of Audit Committee and Review of Information by the Committee
3.	Nomination and Remuneration Committee	19	YES	<ul style="list-style-type: none"> • Composition • Role of the Committee • Frequency of Meetings

4.	Stakeholders' Relationship Committee	20	YES	<ul style="list-style-type: none"> • Composition • Role of the Committee • Frequency of Meetings
5.	Risk Management Committee	21	YES	<ul style="list-style-type: none"> • Composition • Role of the Committee • Frequency of Meetings
6.	Vigil Mechanism	22	YES	<ul style="list-style-type: none"> • Formulation of Vigil Mechanism for Directors and Employees • Direct access to Chairman of Audit Committee
7.	Related Party Transactions	23	Yes	<p>Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions</p> <ul style="list-style-type: none"> • Related Party Transactions of the Company are in accordance with contracts duly approved by the Audit Committee, Board of Directors and Shareholders. • Review of transactions pursuant to aforesaid Contracts • Disclosure of Related Party Transactions
8.	Corporate Governance requirements with respect to subsidiary of Listed entity	24 & 24 A	YES	<ul style="list-style-type: none"> • Review of Investments made by unlisted subsidiary companies by the Audit Committee. • Minutes of Meetings of Board of Directors of unlisted subsidiary companies placed at the Meetings of the Board of Directors of the Company. • Review of significant transactions and arrangements entered into by the unlisted subsidiary companies. • Secretarial Audit Report of Material Subsidiary to be annexed

9.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> • Maximum Directorships and Tenure • Meeting of Independent Directors • Familiarisation of Independent Directors
10.	Obligations with respect to Directors and Senior Management	26	Yes	<ul style="list-style-type: none"> • Memberships/Chairmanships in Committees • Affirmation with compliance to Code of Business conduct and Ethics from Directors and Management
11.	Other Corporate Governance Requirements	27	Yes	<ul style="list-style-type: none"> • Compliance with discretionary requirements • Filing of quarterly compliance report on Corporate Governance
12.	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none"> • Composition of various Committees of Board of Directors • Code of Business Conduct and Ethics for Directors Management Personnel • Details of establishment of Vigil Mechanism/Whistle Blower Policy • Policy on dealing with Related Party Transactions • Details of familiarization programmes imparted to Independent Directors

Transfer of Unpaid / Unclaimed Amounts of Dividend to Investor Education and Protection Fund:

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

DECLARATION BY MANAGING DIRECTOR

**WITH RESPECT TO COMPLIANCE WITH CODE OF CONDUCT UNDER REGULATION 34(3)
READ WITH PART D OF SCHEDULE V TO THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE
REQUIREMENTS) REGULATIONS, 2015 OF YASH CHEMEX LIMITED (“THE COMPANY”)**

I, Pritesh Y. Shah, Managing Director of Yash Chemex Limited, hereby declare that all the Members of the Board of Directors and the senior management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by Board of Directors in terms of Regulation 26(3) of SEBI(LODR) Regulation, 2015.

For, Yash Chemex Limited

Sd/-

Pritesh Y. Shah

Date:1st September , 2023

Place: Ahmedabad

**Managing Director & Chief Financial Officer
(DIN: 00239665)**

Managing Director & Chief Financial Officer Certificate

To
The Board of Directors
Yash Chemex Limited

- a. We have reviewed standalone and consolidated financial statements and the cash flow statement for the year ended March 31, 2023, and to the best of our knowledge and belief:
 - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2023, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
 - I. that there are no significant changes in internal control over financial reporting during the year.
 - II. that there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - III. that no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Yash Chemex Limited

Sd/-

Pritesh Y. Shah

Managing Director & Chief Financial Officer

Place: Ahmedabad

Date: 1st September , 2023

Annexure -E

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and schedule V para-C clause (10) (i) of the SEBI
(Listing Obligation Disclosure requirement) Regulation, 2015]

To,
The Members of
Yash Chemex Limited
CIN: L74110GJ2006PLC048385
411, Sigma Icon-1,132ft Ring Road,
Satellite, Ahmedabad-380015.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the **YASH CHEMEX LIMITED, having (CIN: L74110GJ2006PLC048385)** and having registered office at 411, Sigma Icon-1, 132ft Ring Road, Satellite, Ahmedabad-380015 (hereinafter referred to as ‘the **Company**’), produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V para – C sub clause 10(i) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number [DIN] status at the MCA portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of Directors of the Company as stated below for the financial year ending on 31st March 2023, have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities Exchange and Board of India, Ministry of Corporate affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1	Pritesh Yashwantlal Shah	00239665	03/06/2006
2	Yashwantlal Chhanalal Shah	01002342	03/06/2006*
3	Dimple Priteshkumar Shah	06914755	19/07/2018
4	Angee Rajendrakumar Shah	07486980	09/04/2016
5	Rushabh Shah	09012222	29/12/2020
6	Jinal Dineshbhai Shah	07467703	09/04/2021

* Mr. Yashwantlal Chhanalal Shah's sudden and unexpected demise on 30.01.2023.

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 these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For, YASHREE DIXIT & ASSOCIATES
COMPANY SECRETARIES
FRN: S2017GJ536800**

**Place: Ahmedabad
Dated: 26.08.2023**

**SD/-
CS (Dr.) Yashree Dixit
Proprietor
FCS No. : 12221
COP No. : 19206
P/R No.:-1460/2021
UDIN: F012221E00872751**



Annexure -F

CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,

THE MEMBERS

YASH CHEMEX LIMITED

CIN: L74110GJ2006PLC048385

411, Sigma Icon-1,
132ft Ring Road, Satellite,
Ahmedabad-380015.

We have examined all relevant records of **Yash Chemex Limited (CIN: L74110GJ2006PLC048385)** ("the **Company**") for the purpose of certifying compliance of the disclosure requirements and corporate governance norms Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clause (b) to (i) and (t) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015") for the Financial Year ended March 31, 2023. We have obtained all the information and explanations to the best of our knowledge and belief, which were necessary for the purpose of this certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 and that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs or any other Statutory Authority.

We further state that such compliance 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.

Place: Ahmedabad

Dated: 26.08.2023

**For, YASHREE DIXIT & ASSOCIATES
COMPANY SECRETARIES**

FRN: S2017GJ536800

SD/-

CS (Dr.) Yashree Dixit

Proprietor

FCS No. : 12221

COP No. : 19206

P/R No.:-1460/2021

UDIN: F012221E000872762

ANNEXURE G

Management Analysis & Discussion Report

GLOBAL ECONOMY

The chemical industry is expected to continue to contend with disruptions to oil, gas and feedstock caused by a new era marked by instability. These transformations are characterized by weaknesses in global governance, a rise of conflict, and mounting backlashes to multilateralism and free trade. The rise of a multipolar, less globalized world has been accelerated by the global pandemic and the war in Ukraine. With growing geopolitical tensions, more friction in supply chains could become the norm. And as labour costs rise in less developed economies and changes in production methods in some industries favor a more localized presence, there may also be less impetus for companies to seek production sites further afield, causing globalization to be on the retreat. All this could see inflationary pressures remaining more elevated over the longer term.

The combination of supply chain bottlenecks, generous government spending, tight labor markets and a commodity shock triggered by the Russian invasion of Ukraine caused inflation to shoot well above central banks' targets across many developed economies.

The disruption of 2022 has helped the chemical industry position itself to lead the coming materials transformation. But with macroeconomic indicators such as volatile energy prices, higher costs, and the fracturing of trading patterns signaling uncertainty in the global economy, how can companies plan to overcome potential headwinds and position themselves for a bright long-term future? Our 2023 chemical industry outlook explores four trends that are top of mind for business leaders in the year ahead.

The global dyes and pigments market size was valued at USD 38.2 billion in 2022 and is expected to expand at a compound annual growth rate (CAGR) of 5.3% from 2023 to 2030. Increasing demand from various application industries such as textiles, paints & coatings, construction, and plastics is expected to drive the market growth. Major producers are actively venturing into enhancing their products by utilizing advanced technologies for the efficient removal of hazardous pollutants during the manufacturing process. Manufacturers are likely to experience varied production costs due to volatility in the prices of raw materials, such as benzene. A wide distribution network in the market is achieved through both brick & mortar stores and online retailing.

Materials transformation is coming—2023.

Materials transformation is coming—2023 could set the stage.

The racecourse on which US chemical companies run has been dramatically altered in 2022, setting the trajectory for the next major change and greater sustainability in the chemical industry. This evolution will likely continue in 2023 amid an emerging new industrial policy in the United States, evolving consumer preferences, supply chain challenges, and economic uncertainty. But chemical companies have stewarded a good “war chest” for these uncertain times. As an industry, businesses in the United States have performed well in recent years.

Chemical producers can play a crucial role in effectively tackling climate change. Chemicals and materials are ubiquitous in a modern-day lifestyle, and for chemical producers to operate in an evolving global geopolitical landscape, there will be a strong need to make fundamental changes, either proactively or reactively. In the coming year, chemical companies will likely have to plan for challenges—from global inflation to oil price volatility. This combination could make 2023 an important year for a strategic shift. Explore the four trends below that will likely influence the direction of the industry over the next 12 months.

The availability of products on e-commerce platforms has increased the client base of market participants. Rapid growth in the global construction industry has also been a key growth-driving factor for the overall market. Countries, such as U.S., U.K., China, Indonesia, India, Saudi Arabia, and UAE, exhibit significant growth potential in the global construction sector.

The reactive dyes segment dominated the market with a revenue share of more than 57% in 2022. These products are composed of highly colored organic substances and have primary applications in tinting textiles. They have a high resistance to fading and are available in a range of bright shades, which makes them suitable for coloring cotton and rayon. Moreover, they can form a covalent bond with fibers during the process of dyeing. It also includes a parent dye, a linking group, and an active group. These advantages enable them to inhibit characteristics, which are superior and preferable over other dyes used in cellulose fibers. The segment is estimated to expand further at the fastest CAGR from 2023 to 2030.

Inorganic pigments earned a higher share in the market as compared to organic pigments due to properties, such as good wetting, darker color, and leanness. However, the organic pigments segment is anticipated to register the fastest CAGR of 5.7%, in terms of revenue, from 2023 to 2030. Stringent regulations affecting the inorganic pigments demand are also likely to provide positive scope for organic pigments through internal substitution of the product.

INDIAN ECONOMY:

India’s thriving chemical industry owes its success to escalating demand and supportive government policies. India’s chemical sector is ranked the sixth-largest globally by output and third in Asia. Contributing a substantial seven percent to India’s GDP, the chemical industry is a key supplier to diverse industries like textiles, pharmaceuticals, and agrochemicals. Government initiatives, including

chemical development schemes, and plastic parks, are fueling investment opportunities. Notably, the chemical industry allows 100 percent FDI through the automatic route, except for select hazardous chemicals.

The Indian chemical industry is expected to reach US\$304 billion by 2025, registering a compound annual growth rate (CAGR) of 9.3 percent. The chemical industry in India is valued at a substantial US\$220 billion and experts predict that it could reach an astonishing US\$1 trillion by 2040.

By 2025, the demand for chemicals in India is expected to grow by 9 percent per annum, and the chemical industry is anticipated to contribute US\$383 billion to India's GDP by 2030. This increase is expected due to the rise in demand in the end-user segments for specialty chemicals and petrochemicals segment.

According to Invest India, the market size of the chemical and petrochemical sector in India is US\$178 billion. The Indian chemical industry covers around 80,000 commercial products, employees over two million people, and makes up 3.4 percent of the global chemical industry.

The production of Total Major Chemicals and Petrochemicals in 2022-23 (up to September 2022) is 26570 thousand MT. CAGR in production of Total Chemicals and Petrochemicals during the period 2017-18 to 2021-22 is 4.61%.

INDUSTRY TRENDS

Outlook:

The disruption of 2022 has helped the chemical industry position itself to lead the coming materials transformation. But with macroeconomic indicators such as volatile energy prices, higher costs, and the fracturing of trading patterns signaling uncertainty in the global economy, how can companies plan to overcome potential headwinds and position themselves for a bright long-term future? Our 2023 chemical industry outlook explores four trends that are top of mind for business leaders in the year ahead.

Company Overview:

The Company operates through three verticals- Specialty chemicals, Agro chemicals and Chemical intermediaries. Through its subsidiary company K.P International Limited Company is having manufacturing facility at GIDC, Dahej. After successfully started production from June-2021, Company has gained domestic client network and also increased their Export. For further expansion and to achieve attractive future growth, Company is currently working on Phase-III Production. The company is having potential export market in various countries like USA, Spain, Turkey, Brazil, Thailand, Korea, Mexico, Japan and Indonesia. FY 2021-22 ended on a good note despite of having temporary disruption and adverse microeconomic situation, the Company managed to have healthy revenue

growth as well as it continues to meet the commitments. With the vision of expansion of Capacity, the Company have worked for the best Results.

Internal Controls:

The company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. The IT system and infrastructure are continuously examined and improved with appropriate and timely upgradation.

Internal Audit function plays a key role in providing to both the operating management and to the Audit Committee of the Board, an objective view and reassurance of the overall control systems and effectiveness of the Risk Management processes across the Company and its subsidiary. Internal Audit also assesses opportunities for improvement in business processes, systems and controls and provides recommendations designed to add value to the operations.

The Audit Committee meets on a quarterly basis to review and discuss effectiveness of the internal control system. The Audit Committee also meets the Statutory Auditors separately to ascertain their views on the adequacy and efficiency of the internal control systems.

GOVERNMENT INITIATIVES

Chemicals industry occupies a pivotal position in meeting basic needs and improving quality of life. The industry is a key enabler for industrial and agricultural development of the country and provides building blocks for several downstream industries, such as textiles, papers, paints, varnishes, soaps, detergents, and pharmaceuticals. It is also among the most diversified industrial sectors and covers over 80,000 commercial products.

The government permits 100% foreign direct investment (FDI) in this sector under the automatic approval route. Manufacturing of most chemical products inter-alia covering organic/inorganic, dyestuff and pesticides is de-licensed. Factors such as boost to speciality and agrochemicals chemicals due to rapid development in construction and agricultural sector, inadequate per capita consumption and strong demand from paints, textiles and diversified manufacturing base shall aid towards the development of Indian chemicals sector, the same is expected to grow at around 9% per annum and touch US\$ 304 billion by 2025.

Government of India has launched several schemes and initiatives to encourage growth of the sector which include:

Petroleum, Chemical and Petrochemical Investment Region (PCPIR) scheme: concept of PCPIR is cluster approach to promote petroleum, chemicals and petrochemical sectors in an integrated and environmentally friendly manner on a large scale. PCPIRs have already received investments worth US\$ 24.68 billion till now, these PCPIRs are expected to attract investment in the tune of US\$ 117.42 billion approximately. PCPIRs are being developed in Andhra Pradesh, Gujarat, Odisha and Tamil Nadu

and have already generated direct and indirect employment for 0.2 million people with total potential of 3.4 million.

The Indian chemical industry has received the much-needed boost in the past 4 to 5 years. The Government is taking strict measures to cut down on the challenges that the industry is facing. It is also coming up with new projects and plants to leverage all the opportunities to the maximum. In fact, the Government's new "**Make in India**" initiative would also play a pivotal role in boosting the growth of the Indian chemical industry. Other favourable Government initiatives such as "**Aatmanirbhar Bharat and the Production-Linked Incentive Scheme**", are likely to boost the manufacturing sector, and thereby indirectly benefit the industry and the Company.

EASE OF DOING BUSINESS

One of the main drivers of India's economic growth is the country's strong domestic consumption, which is supported by a sizable and expanding middle class. A major factor in maintaining the nation's economic momentum has also been the government's initiatives to encourage ease of doing business and draw foreign investment. According to the National Statistical Office's (NSO) second advance estimate, India's GDP growth is projected to be 7% in FY 2022–23 compared to 9.1% in FY 2021–22. The bilateral trade also reached a record high of USD 447.46 billion with 6.03% growth during FY 2022–23, surpassing the previous high of USD 422.00 billion in FY 2021–22, despite the weakening external demand.

CHINA PLUS ONE STRATEGY

The global agrochemical industry is dominated by China. Due to growing environmental concerns, many specialty chemical companies in China have ceased their activities, and industries that rely on specialty chemicals are diversifying to different countries. Consequently, Indian manufacturers are looking at expanding their portfolio with value-added products. Rising demand from domestic as well as overseas companies for Indian agrochemicals brings an immense opportunity for growth in the coming years.

IMPORT SUBSTITUTES

The Indian Speciality Chemicals Industry is heavily dependent on imports. The government is nudging domestic producers to fulfil this demand. The situation has been exacerbated by the war impeding imports. This can push Indian producers to meet domestic demand.

THREATS

LACK OF AVAILABILITY OF SKILLED MANPOWER: -

Despite having a favourable demographic profile, labour and skill shortage continues to be one of the key concerns for the Indian chemical industry. The Government along with Industry bodies are putting

their best foot forward to have education and vocational training institution arming the manpower with appropriate skill set.

CHEAP IMPORTS: -

Structural shifts in the Chinese market arising from over capacity coupled with weakening prices are threatening the Indian players. As China threat was partly getting managed through the anti-dumping duty route, we now have Russian problem. Russia is a key producer of steel and as its currency has hit rock bottom, the Indian market can see cheap imports.

COMPETITION: -

Our government has allowed 100% FDI in Chemical Sector. This has resulted in domestic players facing stiff competition from foreign multinationals, capable of exerting strong price pressure on local markets. Yash Chemex Limited views this as a health indicator of further thriving and leveraging on its attributes. Better pricing, quality products, high volumes and strategic locations, compared to its peers are some of the factors that places the Company in a better position to face this competition.

HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS:

The employee strength of the Company as on 31st March, 2023 was 3. The relations with the employees of the Company remained cordial and harmonious.

The Company encourages the employees to upgrade their knowledge and skills. The training sessions on various working parameters are conducted in routine apart from allowing employees for outside specialized training, wherever required.

ACCOUNTING TREATMENT:

Audited Financial Statements for the year ended 31st March, 2021 are in compliance with the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Companies Act, 2013.

FINANCIAL PERFORMANCE (CONSOLIDATED) (Rs. In Lakhs):

	2022-23	2021-22	Reason for decline
Revenue from Operations	9141.91	9977.87	-Lower demand
EBITDA	472.27	458.95	-Increase in Financial Cost and Depreciation
Profit after Tax	381.59	341.23	-Fluctuations in Prices of Chemicals
Earnings Per Share (EPS in Rs.)	2.73	3.33	

CAUTIONARY STATEMENT:

Statements in “Management Discussion and Analysis” describing the Company’s objectives, projections, estimates, expectations or predictions are forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. The actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, finished goods prices, raw materials cost and availability, foreign exchange market movements, changes in Governmental regulations and tax structure, economic and political developments within India and the countries with which the Company has business.

Therefore, the Company assumes no responsibility in respect of forward looking statements herein which may undergo change in future on the basis of subsequent developments, information or events.

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Yash Chemex Limited**

Report On The Audit Of The Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Yash Chemex Limited** (the 'Company') which comprise the Standalone Balance Sheet as at March 31, 2023, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Standalone Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.(herein after referred 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, total comprehensive income, changes in equity and its cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Act. 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 Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion 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. We have determined that there is no key audit matter to communicate in our report.

Information other than Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion & Analysis (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 will 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. The 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 judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively or ensuring 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not 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 scepticism 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 control 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 the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable .

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose 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 Standalone Statement of Cash Flow, dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards 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 internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to or separate report in “**Annexure B**” to this Report.
- (g) With respect to the other matters to be included in the Auditors Report in accordance with requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its Directors during the year is in accordance with the provisions of Section 197.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has disclosed the impact of pending litigations on the financial position of its Standalone financial statements–Refer Note 34 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v.

(a) The company had not proposed any final dividend in the previous year, which was declared and paid by the Company during the year.

(b) The Company has not declared and paid any interim dividend during the year and until the date of this report.

(c) The Board of Directors of the Company have not proposed any final dividend for the year which is subject to approval of the members in the ensuing Annual General Meeting.

vi.

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

For, H S K & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 117014W\W100685

CA Sudhir S. Shah
Partner
M. No. 115947
UDIN: 23115947BGWQBK1295

Place: Ahmedabad
Date: May 25, 2023

'ANNEXURE A'

To the Independent Auditors' Report of even date on the Standalone Financial Statements of Yash Chemex Limited

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended March 31, 2023:

- I.
 - a)
 - (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and Capital work in progress.
 - (ii) As the Company does not hold any intangible assets, reporting under clause 3(i) of the Order is not applicable.
 - b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. According to information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) Based on the examination of the registered sale deed / transfer deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings disclosed in the financial statements included in (property, plant and equipment), are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc., are held in the name of the Company based on the confirmations directly received by us from lenders.
 - 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 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 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, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause (ii)(b) of the Order is not applicable.

- III. According to information and explanation given to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties during the year. Hence, reporting under Clause 3(iii)(a), (c), (d), (e) and (f) of the Order are not applicable. The Company has made investments in companies which, in our opinion, prima facie, are not prejudicial to the interest of the Company.
- IV. In our opinion and according to the information and explanations given to us, the company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of making investments made. The company has not given loan, guarantee or provided security as provided in section 185 and 186 of the Companies Act, 2013.
- V. According to information and explanation given to us, the Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company and hence not commented upon.
- VI. The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- VII. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of account, and records :
- a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, Duty of Customs, Cess and any other material statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanations given to us, there are no material dues of Sales Tax, Service Tax, Goods & Service Tax and Customs Duty which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Income Tax have not been deposited by the Company on account of disputes :

Name of statute	Nature of Dues	Amount (in Lakhs)	Period to which amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	138.26	AY 2011-12	CIT- Appeal Ahmedabad
The Income Tax Act, 1961	Income Tax	102.49	AY 2012-13	CIT- Appeal Ahmedabad
The Income Tax Act, 1961	Income Tax	5.10	AY 2013-14	CIT- Appeal

VIII. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

IX.

- a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) Term loans were applied for the purpose for which the loans were obtained;
- d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

X.

- a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

- XI.
- a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
 - b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us 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 audit procedures
- XII. The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company and hence not commented upon.
- XIII. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable Indian accounting standards.
- XIV.
- (a) The Company has an internal audit system commensurate with the size and nature of its business.
 - (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- 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) In our opinion and according to information and explanations given to us, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.
 - (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(b) of the Order are not applicable to the Company
 - (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.

- (d) The Company does not have any CIC as part of its group. Hence the provisions stated in paragraph clause 3 xvi (d) of the order are not applicable to the company
- XVII. The Company has not incurred cash losses in the current and immediately preceding financial year.
- XVIII. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation 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. The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For, H S K & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 117014W\W100685

CA Sudhir S. Shah
Partner
M. No. 115947
UDIN: 23115947BGWQBK1295

Place: Ahmedabad
Date: May 25, 2023

Annexure 'B'

To the Independent Auditor's Report of even dated on the Financial Statement of Yash Chemex Limited.

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

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to the 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements 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 with reference to the standalone financial statements 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 with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone

financial statements included obtaining an understanding of internal financial controls with reference to the standalone financial statements, 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 Judgement, 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 over financial reporting.

Meaning of Internal Financial Controls with Reference to the Standalone Financial Statements

A company's internal financial control with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purpose 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 standalone financial statements in accordance with generally accepted accounting principles , and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to the Standalone Financial Statements

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 of procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial control with reference to the standalone financial statements and such internal financial controls were operating effectively as

on March 31, 2023, based on the internal control with reference to the standalone financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

For, H S K & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 117014W\W100685

CA Sudhir S. Shah
Partner
M. No. 115947
UDIN: 23115947BGWQBK1295

Place: Ahmedabad
Date: May 25, 2023

YASH CHEMEX LIMITED

YASH CHEMEX LIMITED

Standalone Balance Sheet as at March 31, 2023

(Rs. in lakhs)

Particulars		Note No.	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
A	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	5	333.39	25.13
	(b) Financial assets			
	(i) Investments	6	1,470.58	1,097.45
	(ii) Loans	7	50.00	50.00
	(iii) Other financial assets	8	1.92	1.80
	Total non - current assets		1,855.89	1,174.38
2	Current assets			
	(a) Inventories	9	565.14	529.01
	(b) Financial assets			
	(i) Trade receivables	10	2,255.41	2,806.49
	(ii) Cash and cash equivalents	11	2.43	3.90
	(iii) Bank balances other than cash and cash equivalents	12	121.96	97.17
	(iv) Loans		-	-
	(c) Current Tax Assets (net)	13	16.32	12.38
	(d) Other current assets	14	23.64	31.73
	Total current assets		2,984.90	3,480.69
	Total assets (1+2)		4,840.79	4,655.07
B	EQUITY AND LIABILITIES			
1	EQUITY			
	(a) Equity share capital	15	1,024.34	1,024.34
	(b) Other equity	16	1,373.81	1,259.83
	Total equity		2,398.15	2,284.16
	LIABILITIES			
2	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	17	13.85	22.15
	(ii) Deferred Payment Liabilities	18	196.78	-
	(b) Provisions	19	20.72	20.42
	(c) Deferred tax liabilities (Net)	20	102.79	83.99
	Total non - current liabilities		334.14	126.56
3	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	21	701.70	696.10
	(ii) Trade payables	22		
	- Total Outstanding dues of Small Enterprises & Medium Enterprises		-	-
	- Total Outstanding dues of creditors other than Small Enterprises & Medium Enterprises		1,403.50	1,524.12
	(iii) Other financial liabilities		-	-
	(b) Other current liabilities	23	1.78	15.23
	(c) Provisions	24	1.52	8.90
	(d) Current tax liabilities (Net)		-	-
	Total current liabilities		2,108.50	2,244.35
	Total equity and liabilities (1+2+3)		4,840.79	4,655.07

Significant Accounting Policies

The accompanying notes are an integral part of financial statements 1 to 57

As per our Report of even date attached.

For, H S K & Co LLP

Chartered Accountants

Firm Regd. No.117014W/W100685

UDIN:23115947BGWQBK1295

SD/-

Sudhir S. Shah

Partner

Membership No. 115947

Place : Ahmedabad

Date : May 25,2023

For, Yash Chemex Limited

SD/-

Pritesh Y. Shah

Managing Director and CFO

(DIN: 00239665)

SD/-

Riddhi Shah

Company Secretary

Membership Number:A70953

Place : Ahmedabad

Date : May 25,2023

SD/-

Dimple P Shah

Director

(DIN: 06914755)

YASH CHEMEX LIMITED				
Standalone Statement of Profit and Loss for the year ended March 31, 2023				
(Rs. in lakhs)				
Particulars		Note No.	Year Ended March 31, 2023 Rs.	Year Ended March 31, 2022 Rs.
I	Revenue from operations	25	5,447.50	7,732.62
II	Other income	26	185.40	82.33
III	Total income		5,632.90	7,814.95
IV	EXPENSES			
	(a) Cost of materials consumed		-	-
	(b) Purchases of stock-in-trade		5,456.83	7,542.40
	(c) Changes in inventories of stock-in-trade	27	(36.13)	(139.45)
	(d) Employee benefit expense	28	16.94	64.93
	(e) Finance costs	29	77.32	51.21
	(f) Depreciation and amortisation expense	30	1.25	1.37
	(g) Other expenses	31	65.82	86.93
V	Total expenses		5,582.03	7,607.39
VI	Profit from Operations Before Exceptional Items & Tax		50.87	207.56
	Exceptional Item		-	-
VII	Profit before tax		50.87	207.56
	Tax expense	32		
	(1) Current tax		15.31	52.60
	(2) Deferred tax charge\credit		(6.48)	1.07
	(3) Tax In Respect of Earlier Year		3.22	8.27
	Total tax expense		12.05	61.94
VIII	Profit for the period		38.82	145.62
IX	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss			
	Equity instruments through other comprehensive income		89.21	66.20
	Remeasurements of the defined benefit plans		11.23	5.96
	Income tax relating to above items that will not be reclassified to profit or loss		(25.28)	(18.16)
	Total other comprehensive income		75.16	54.00
X	Total comprehensive income for the period		113.98	199.63
XI	Basic & diluted earnings per share of face value of Rs.10 each fully paid up			
	(1) Basic	45	0.38	1.42
	(2) Diluted		0.38	1.42
	Significant Accounting Policies			
	The accompanying notes are an integral part of financial statements	1 to 57		

As per our Report of even date attached.

For, H S K & Co LLP

Chartered Accountants

Firm Regd. No.117014W/W100685

UDIN:23115947BGWQBK1295

For, Yash Chemex Limited

SD/-

Pritesh Y. Shah

Managing Director and CFO

(DIN: 00239665)

SD/-

Dimple P Shah

Director

(DIN: 06914755)

SD/-

Sudhir S. Shah

Partner

M. No.115947

SD/-

Riddhi Shah

Company Secretary

Membership Number:A70953

Place : Ahmedabad

Date : May 25,2023

Place : Ahmedabad

Date : May 25,2023

YASH CHEMEX LIMITED

Standalone Cash Flow Statement for the year ended March 31, 2023		
Particulars	(Rs. in lakhs)	
	Year Ended March 31, 2023 Rs.	Year Ended March 31, 2022 Rs.
Cash flow from operating activities		
Profit Before Tax	50.87	207.56
Adjustments for :		
Depreciation and amortisation expense	1.25	1.37
Provision for expected credit loss	9.40	(1.65)
Finance costs	77.32	51.21
Dividend Income	(2.03)	(2.97)
Interest income	(6.10)	(5.18)
Operating profit before working capital	130.71	250.34
Changes in operating assets and		
(Increase)/Decrease in inventories	(36.13)	(139.45)
(Increase)/Decrease in trade receivables	565.57	(204.39)
(Increase)/Decrease in Other current financial assets , other current assets , Loans (Current + Non Current)	(16.81)	16.22
Increase/(Decrease) in trade payable	(120.63)	(139.87)
Increase/(Decrease) in other current financial liabilities, other current liabilities , Provisions (Current + Non Current)	(20.52)	11.73
Cash flow generated from operations	502.19	(205.41)
Direct taxes paid (net)	(22.47)	(75.54)
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A)	479.72	(280.95)
Cash flows from investing activities		
Interest received	6.10	5.18
Dividend Income	2.03	2.97
Purchase\ (Proceeds) of PPE made during the year (net)	(309.51)	-
Purchase of Non Current Investments made during the year (net)	(296.58)	(66.26)
NET CASH FLOW FROM / (USED IN) IN INVESTING ACTIVITIES (B)	(597.96)	(58.11)
Cash flows from financing activities		
Finance costs paid	(77.32)	(51.21)
Availment \ (Repayment) of Current & Non Current Borrowings (net)	194.09	378.77
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	116.77	327.56
NET INCREASED / (DECREASED) IN CASH AND CASH EQUIVALENTS (A + B + C)	(1.47)	(11.50)
Cash and cash equivalents at the beginning of the year	3.90	15.40
Cash and cash equivalents at the end of the year	2.43	3.90

Notes:

(i). The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 Cash Flow Statements specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(ii). Previous Period's / Year's figures have been re-grouped / Re-Classified where necessary to make it comparable with the current period.

As per our Report of even date attached.**For, H S K & Co LLP**

Chartered Accountants

Firm Regd. No.117014W/W100685

UDIN:23115947BGWQBK1295

For, Yash Chemex Limited

SD/-

Pritesh Y. Shah

Managing Director and CFO

(DIN: 00239665)

SD/-

Dimple P Shah

Director

(DIN: 06914755)

SD/-

Sudhir S. Shah

Partner

M. No.115947

SD/-

Riddhi Shah

Company Secretary

Membership Number:A70953

Place : Ahmedabad

Date : May 25,2023

Place : Ahmedabad

Date : May 25,2023

YASH CHEMEX LIMITED

Standalone Statement of Changes in Equity for the year ended on March 31, 2023

Equity Share Capital

Particulars	Note No.	Amount Rs.
As at April 1, 2021	15	1,024.34
Changes due to prior period errors		-
Restated Balance as April 1 ,2021		1,024.34
Changes during the year 2021 - 2022		-
As at March 31, 2022	15	1,024.34
Changes due to prior period errors		-
Restated Balance as April 1 ,2021		1,024.34
Changes during the year 2022-23		-
As at March 31, 2023	15	1,024.34

Other Equity

(Rs. in lakhs)

Particulars	Note No.	Reserves and Surplus		Other Components of Equity		Total
		Retained Earnings	Security Premium	Equity Instruments through Other Comprehensive Income	Remeasurement of Defined Benefit Plan	
Balance as at 31st March, 2021	16	677.77	163.22	227.66	(8.44)	1,060.21
Profit for the year		145.62	-	-		145.62
Other comprehensive income for the year		-	-	49.54	4.46	54.00
Balance as at 31st March, 2022	16	823.39	163.22	277.20	(3.98)	1,259.83
Profit for the year		38.82	-	-		38.82
Other comprehensive income for the year		-	-	63.93	11.23	75.16
Balance as at 31st March, 2023	16	862.21	163.22	341.13	7.25	1,373.81

In terms of our report attached.

For, H S K & Co LLP

Chartered Accountants

Firm Regd. No.117014W/W100685

UDIN:23115947BGWQBK1295

For, Yash Chemex Limited

SD/-

Pritesh Y. Shah

Managing Director and CFO

(DIN: 00239665)

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Dimple P Shah

Director

(DIN: 06914755)

SD/-

Sudhir S. Shah

Partner

M. No.115947

SD/-

Riddhi Shah

Company Secretary

Membership Number:A70953

Place : Ahmedabad

Date : May 25,2023

Place : Ahmedabad

Date : May 25,2023

Notes to standalone financial statement for the year ended March 31, 2023

(Rs. in lakhs)

6	<u>Non-current Investments</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
	Investments in Equity Instruments of Subsidiary at amortised cost (Unquoted)		
	Yasons Chemex Care Limited 9935400 shares as on 31-03-2023,(3230750 shares as on 31-03-2022) of face value Rs. 10 each fully paid up.	893.24	566.00
	Investments in Equity Instruments at fair value through other comprehensive income (Quoted) - FVOCI		
	Mahickra Chemical Limited. 579500 shares as on 31-03-2023,(605000 shares as on 31-03-2022) of face value Rs. 10 each fully paid up.	574.63	514.25
	Hindprakash Industries Limited. Nil shares as on 31-03-2023,(27000 shares as on 31-03-2022) of face value Rs. 10 each fully paid up.	-	14.96
	Ushanti Colour Chem Limited. 4000 shares as on 31-03-2023,(4000 shares as on 31-03-2022) of face value Rs. 10 each fully paid up.	2.71	2.24
	Total	1,470.58	1,097.45
	Aggregate amount of quoted investment - At cost	142.29	170.13
	Aggregate amount of unquoted investment - At cost	893.24	566.00
7	<u>Non-current loans</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
	Unsecured and considered good		
	Capital Advance	50.00	50.00
	Total	50.00	50.00
8	<u>Other Non-current financial assets</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
	Unsecured and considered good		
	Security Deposits	1.92	1.80
	Total	1.92	1.80
9	<u>Inventories</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
	Stock in Trade	565.14	529.01
	Total	565.14	529.01
10	<u>Trade receivables</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
	Unsecured,		
	Considered good	2255.41	2,806.49
	Credit impaired	10.43	1.03
		2,265.84	2,807.52
	Less: Allowance for Expected Credit Loss	10.43	1.03
	Total	2,255.41	2,806.49

Notes:

i. For Trade Receivable Ageing analysis Refer Note No :- 42 and For Related Parties Transactions Disclosure Refer Note -46

ii. The Fair Values of Trade Receivables are not considered to be significantly different from their carrying values, given their generally short period to maturity, with impairment reviews considered on an individual basis rather than when these become overdue.

iii. The Company provides an allowance for impairment of doubtful accounts based on financial condition of the customer, aging of the trade receivable and historical experience of collections from customers. The activity in the allowance for impairment of trade receivables is given below:

Notes to standalone financial statement for the year ended March 31, 2023

Allowance Movement for Trade Receivables			As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Balance at the beginning of the year			1.03	2.68
Add : Allowance made during the year			9.40	-
Less : Reversal of allowance made during the year			-	-1.65
Closing Balance			10.43	1.03

11	Cash & Cash Equivalents	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Balances with Banks - In Current Account		0.00	0.05
Cash on hand		2.43	3.85
Total		2.43	3.90

12	Bank balances other than cash and cash equivalents	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Fixed deposits with banks (with original maturity more than 3 months but less than 12 months)		121.96	97.17
Total		121.96	97.17

13	Current Tax Assets (net)	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Advance tax (net of income tax provisions)		16.32	-
Total		16.32	12.38

14	Other Current Assets	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Unsecured and considered good			
Advances to Suppliers Other than Capital Advance		0.04	13.74
Others		12.16	10.25
Prepaid Expenses		0.23	0.26
Balances with Statutory Authorities		11.20	7.48
Total		23.64	31.73

15	Equity Share Capital	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
[i] Authorised Share Capital: 110,00,000 Equity shares of Rs. 10 each as at March 31, 2023 (110,00,000 Equity shares of Rs. 10 each as at March 31, 2022)		1,100.00	1,100.00
[ii] Issued, Subscribed & Paid-up Capital : 1,02,43,425 equity shares of Rs. 10 each fully paid as at March 31, 2023 (1,02,43,425 equity shares of Rs. 10 each fully paid as at March 31, 2022)		1,024.34	1,024.34
Total		1,024.34	1,024.34

Notes to standalone financial statement for the year ended March 31, 2023

15.1 Reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2023 and March 31, 2022, is set out below:-

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amt (Rs.)	No. of Shares	Amt (Rs.)
Shares at the beginning	1,02,43,425	1,024.34	1,02,43,425	1,024.34
Addition	-	-	-	-
Deletion	-	-	-	-
Shares at the end	1,02,43,425	1,024.34	1,02,43,425	1,024.34

15.2 The details of shares held by Parent Company and shareholders holding more than 5% shares is set out below.

Particulars			As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Pritesh Y Shah	Nos.		2552720	2010427
	%		24.92	19.63
Pritesh Y Shah HUF	Nos.		1255540	1087443
	%		12.26	10.62
Yashwantlal C .Shah HUF	Nos.		799264	752232
	%		7.80	7.34
Yashwantlal C . Shah	Nos.		721365	632394
	%		7.04	6.17
Dimple P Shah	Nos.		861477	804615
	%		8.41	7.85

15.3 The details of Promoters holding shares In the company is set out below.

Particulars			As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Pritesh Y Shah	Nos.		2552720	2010427
	%		24.92	19.63
Pritesh Y Shah HUF	Nos.		1255540	1087443
	%		12.26	10.62
Yashwantlal C .Shah HUF	Nos.		799264	752232
	%		7.80	7.34
Yashwantlal C .Shah	Nos.		721365	632394
	%		7.04	6.17
Dimple P Shah	Nos.		861477	804615
	%		8.41	7.85
Chandrika Yashvantlal Shah	Nos.		60000	319882
	%		0.59	3.12
Paxal Shah	Nos.		63000	-
	%		0.62	-

15.4 The details of Change of % of Holding Shares by Promoters in the company is set out below.

Particulars			As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Pritesh Y Shah	Nos.		542293	-
	%		5.29	-
Pritesh Y Shah HUF	Nos.		168097	-
	%		1.64	-
Yashwantlal C .Shah HUF	Nos.		47032	-
	%		0.46	-
Yashwantlal C .Shah	Nos.		88971	-
	%		0.87	-
Dimple P Shah	Nos.		56862	-
	%		0.56	-
Chandrika Yashwantlal Shah	Nos.		(2,59,882.00)	-
	%		(2.54)	-
Paxal Shah	Nos.		63000	-
	%		0.62	-

Notes to standalone financial statement for the year ended March 31, 2023**15.5 Rights, Preferences and Restrictions attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any 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, if any, in proportion to their shareholding.

15.6 The Company has not reserved any share for issue under options and contracts or commitments for the sale of shares or disinvestment.

15.7 Aggregate number and class of shares bought back :- Nil

15.8 Securities which are convertible into Equity Shares :- Nil

15.9 Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash :- Nil

16.0 Aggregate Value of Calls unpaid by directors and officers :- Nil

15.10 Aggregate number and class of shares allotted as fully paid by way of Bonus Shares :- Nil

15.11 Details of shares issued pursuant to contract(s) without payment being received in cash or by way of bonus shares or equity shares bought back for the period of 5 years immediately preceding the balance sheet date: During the financial year 2017-18 , Company has issued 61,46,055 Bonus shares to the share holders.

Notes to standalone financial statement for the year ended March 31, 2023

16 <u>Other Equity</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Securities Premium		
Balance as per last financial Statement	163.22	163.22
Add : Received during the year	-	-
Less: Utilised for issuance of bonus shares	-	-
Closing Balance	163.22	163.22
Surplus in Statement of Profit & Loss :		
Balance as per last financial Statement	823.39	677.77
Add : Profit for the year	38.82	145.62
Net Surplus in the statement of profit and loss	862.21	823.39
Other Comprehensive Income		
Balance as per last financial Statement	273.22	219.22
Add: Other Comprehensive Income For the Year	100.44	72.16
Less : Income tax relating to above items that will not be reclassified to profit or loss	(25.28)	(18.16)
Net Surplus in the statement of other comprehensive income	348.38	273.22
Total	1,373.81	1,259.83

Securities Premium : The amount received in excess of face value of the equity shares is recognised in equity security premium. Being realised in cash, the same can be utilised by the company for issuance of bonus shares and writing of share issue expenses.

Retained earnings: Retained earnings can be utilised by the company for distribution to its equity shareholders of the company. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

Other Comprehensive Income: This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off. It also includes re-measurement loss and gain on defined benefit plans, net of taxes that will not be reclassified to profit and loss.

17 <u>Non-Current Borrowings</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Unsecured Borrowing from Banks	13.85	22.15
Unsecured Borrowing from Financial Institutions	-	0.00
Total	13.85	22.15

Business loan is unsecured and payable as per agreed repayment schedule ranging from 12 Months to 36 Months monthly installments carry interest rate ranging from 14.00 % to 17.00 % p.a.

18 <u>Deferred Payment Liabilities</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Secured		
Deferred payment for acquisition of Property, Plant and Equipment	196.78	-
Total	196.78	-

Secured and payable as per agreed repayment schedule of 120 Months, Quarterly Installments carry interest rate ranging from 10.00 % to 11.00 % p.a.

19 <u>Non-Current Provisions</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Provision for Gratuity	20.72	20.42
Total	20.72	20.42

Notes to standalone financial statement for the year ended March 31, 2023

20	Deferred Tax Liabilities \Asset (Net)	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
	Deferred Tax Assets		
	Allowance for Expected Credit Loss on Trade Receivables	2.62	0.26
	Unpaid liability allowable on payment basis in succeeding years u/s. 43B of the Income tax Act, 1961	5.60	7.38
	Total Deferred Tax Assets	8.22	7.64
	Deferred Tax Liabilities		
	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	1.52	0.69
	Fair Valuation of investment in Equity Instruments	109.49	90.94
	Total Deferred Tax Liabilities	111.01	91.63
	Net Deferred Tax Liabilities\ (Deferred Tax Assets)	102.79	83.99

Note i. Movement of deferred tax liability:

Movements in Deferred Tax Assets \ (Liabilities)	Unpaid liability allowable on payment basis in succeeding years u/s. 43B of the Income tax Act, 1961	Allowance for Expected Credit Loss on Trade Receivables	Fair Valuation of investment in Equity Instruments	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment
As at March 31, 2021 *	7.84	0.67	(72.93)	-
(Charged) / credited:				
to profit or loss	(0.46)	(0.41)	-	(0.35)
to other comprehensive income	-	-	(18.01)	-
As at March 31, 2022 *	7.38	0.26	(90.94)	-0.69
(Charged) / credited:				
to profit or loss	(1.78)	2.36	-	(0.83)
to other comprehensive income	-	-	(18.55)	-
As at March 31, 2023 *	5.60	2.62	(109.49)	(1.52)

21	Current Borrowings	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
	Secured Borrowing		
	From Banks -Cash Credit Facility	658.90	624.77
	Unsecured Borrowing		
	From Financial Institution -Cash Credit Facility	5.07	19.45
	Current Maturity of non-current borrowings	37.73	51.87
	Total	701.70	696.10

Notes:

Cash Credit facility availed from Bank is secured by Charge on Fixed deposits, and Equitable mortgage of Office Premises, Current and Future Assets of the companies & personal guarantee of Directors Mr. Pritesh Y Shah and Yashwant C Shah having ROI ranging from 8.00% to 11.00%

Notes to standalone financial statement for the year ended March 31, 2023

22	Trade payables	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	1403.50	1,524.12
	Total	1,403.50	1,524.12

Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management. For Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 Refer Note - 39 and For Trade Payables Ageing analysis Refer Note No :- 43

23	Other Current Liabilities	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Statutory dues	1.78	15.23
	Total	1.78	15.23

24	Current Provisions	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Provisions for Gratuity	1.52	8.90
	Total	1.52	8.90

25	Revenue from operation	Year Ended	Year Ended
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Sale of Products	5,447.50	7,732.62
	Total	5,447.50	7,732.62

26	Other Income	Year Ended	Year Ended
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Interest Income	6.10	5.01
	Other Income	177.27	74.35
	Dividend Income	2.03	2.97
	Total	185.40	82.33

Notes to standalone financial statement for the year ended March 31, 2023

27	Change In Inventories Of Finished Goods, Work In Progress And Stock In Trade	Year Ended March 31, 2023 Rs.	Year Ended March 31, 2022 Rs.
	Inventory at the beginning of the year		
	Stock in Trade	529.01	389.56
		529.01	389.56
	Inventory at the end of the year		
	Stock in Trade	565.14	529.01
		565.14	529.01
	Net (Increase) / decrease in Stock	(36.13)	(139.45)
28	Employee Benefit Expense	Year Ended March 31, 2023 Rs.	Year Ended March 31, 2022 Rs.
	Salary, Wages & Bonus Expenses	12.79	15.30
	Directors Remuneration	-	45.50
	Gratuity Expenses	4.15	4.13
	Total	16.94	64.93
29	Finance Costs	Year Ended March 31, 2023 Rs.	Year Ended March 31, 2022 Rs.
	Interest Paid to Banks & Financial Institutions	73.68	34.87
	Interest Paid to Others	0.25	6.54
	Other borrowing cost	3.39	9.80
	Total	77.32	51.21
30	Depreciation And Amortisation Expense	Year Ended March 31, 2023 Rs.	Year Ended March 31, 2022 Rs.
	Depreciation on Property, Plant & Equipment	1.25	1.37
	Total	1.25	1.37
31	Other Expenses	Year Ended March 31, 2023 Rs.	Year Ended March 31, 2022 Rs.
(i)	Direct Expenses		
	Import related Charges and Expenses	4.55	9.43
	Transportation Expenses	9.96	11.88
(ii)	Indirect Expenses		
	Advertisement Expenses	0.43	0.29
	Auditor's Remuneration	4.00	4.50
	Director Sitting Fees	1.44	0.45
	Electricity Charges	0.62	0.77
	Insurance Charges	2.17	2.62
	Reparing & Maintenance Expenses - Others	0.34	0.46
	Other Expenses	15.43	2.47
	Legal & Professional Fees	11.77	8.75
	Telephone Expenses	0.41	0.40
	Travelling & Conveyance Expenses	0.68	0.17
	Foreign Exchange Loss	3.87	6.44
	Rent Rates & Taxes (excluding taxes on income)	0.23	0.26
	Sales & Marketing Expenses	0.25	39.25
	Reversal of expected credit losse allowance	9.40	-1.65
	Printing & Stationery & Postage Expenses	0.25	0.44
	Total	65.82	86.93

Notes to standalone financial statement for the year ended March 31, 2023

32 <u>Income tax recognised in profit or loss</u>	Year Ended March 31, 2023 Rs.	Year Ended March 31, 2022 Rs.
Current tax:		
In respect of the current year	15.31	52.60
In respect of the prior year	3.22	8.27
Sub-Total (i)	18.53	60.87
Deferred tax:		
In respect of the current year	-6.48	1.07
Sub-Total (ii)	-6.48	1.07
Total (I + ii)	12.05	61.94

32.1 **Income tax reconciliation**

Particulars	Year Ended March 31, 2023 Rs.	Year Ended March 31, 2022 Rs.
Profit Before tax	50.87	207.56
Income tax expenses calculated at effective tax rate (25.168% current year and 25.168 % previous year)	12.80	52.24
Effect of expenses not allowed for tax purpose	14.80	4.77
Effect of Income not considered for tax purpose & Other deductible expenses	-12.29	-4.41
Effect of Related to Deferred Tax Balances	-6.48	1.07
Effect of Other Items	3.22	8.27
Total Income Tax Expenses recognised in the statement of profit and loss	12.05	61.94

YASH CHEMEX LIMITED

Notes to standalone financial statement for the year ended March 31, 2023

Note 5: Property, Plant and Equipment

(Rs. in lakhs)

Particulars	Vehicles	Free Hold Land - Saykha GIDC	Buildings	Office Equipments	Computers	Furniture & Fixtures	Total
Gross Carrying Value as on March 31, 2021	2.94	-	30.37	0.68	0.53	1.03	35.54
Addition during the year	-	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-	-
Gross Carrying Value as on March 31, 2022	2.94	-	30.37	0.68	0.53	1.03	35.54
Addition during the year	-	309.51	-	-	-	-	309.51
Deduction during the year	-	-	-	-	-	-	-
Gross Carrying Value as on March 31, 2023	2.94	309.51	30.37	0.68	0.53	1.03	345.05
Accumulated depreciation as on March 31, 2021	2.18	-	5.31	0.47	0.33	0.75	9.04
Addition during the year	0.09	-	1.18	0.01	0.01	0.08	1.37
Deduction during the year	-	-	-	-	-	-	-
Accumulated depreciation as on March 31, 2022	2.27	-	6.49	0.48	0.34	0.83	10.41
Addition during the year	0.06	-	1.12	0.01	-	0.06	1.25
Deduction during the year	-	-	-	-	-	-	-
Accumulated depreciation as on March 31, 2023	2.33	-	7.61	0.49	0.34	0.89	11.66
Net Carrying Value as on March 31, 2022	0.66	-	23.88	0.20	0.19	0.20	25.13
Net Carrying Value as on March 31, 2023	0.61	309.51	22.76	0.19	0.19	0.14	333.39

Notes:

5.1. Assets Given as security: Refer Note.21 for disclosure of assets given as security.

5.2. All the title deeds for the immovable properties are in the name of the Company.

5.3. The Company has not done revaluation of PPE / Intangible assets.

5.4. Capitalised borrowing cost:

Borrowing Cost Capitalised on Property, Plant and Equipment during the year ended March 31, 2023 - Rs. Nil/- (for the period ended March 31, 2022: Rs. Nil/-).

5.5. Contractual obligations:

Refer Note. 34 for disclosure of Contractual Commitments for the acquisition of property, Plant & Equipment.

Notes to standalone financial statement for the year ended March 31, 2023**1 Corporate information:**

Yash Chemex Limited ("the Company") was incorporated on June 3, 2006 under the provisions of the Companies Act, 1956; having registered office at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad - 380015, Gujarat, India. The Company is engaged in the business of trading of chemical products.

Summary of basis of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and significant accounting policies**2 Basis of Preparation of Financial Statements**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

(i) Compliance with Ind-AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

(ii) Basis of Preparation and presentation

The financial statements have been prepared and presented on the going concern basis and at historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by relevant IND AS.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(a) Certain financial assets/liabilities measured at fair value (refer accounting policy regarding financial instruments) and

(b) Any other item as specifically stated in the accounting policy.

(iii) Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(iv) Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle.

(v) Rounding of amounts

The financial statements are presented in INR and all values are rounded to the nearest Lakh (INR 1,00,000) as per the requirement of Schedule III, unless otherwise stated.

3 Critical accounting estimates, assumptions and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances

Notes to standalone financial statement for the year ended March 31, 2023

a) Useful lives of property, plant and equipment

Useful lives and residual values of Property, plant and equipment represent a material portion of the Company's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology

b) Provision for income tax and valuation of deferred tax assets

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

c) Employee benefit obligations

Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgement is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.

d) Provisions and contingent liabilities

A provision is recognized when the Company has a present 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 a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and 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 in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

e) Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establish appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4 Summary of Significant Accounting Policies :-**4.1 Property, Plant and Equipment (PPE)**

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount/rebate, import duties, non-refundable taxes, Net of Cenvat and GST input credit wherever applicable, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management.

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

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Notes to standalone financial statement for the year ended March 31, 2023

Items such as spare parts, standby equipment and servicing equipment are recognised as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

The Company adjusts exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset. The depreciation on such foreign exchange difference is recognised from first day of its financial year.

De-recognised upon disposal

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when asset is derecognised.

Treatment of Expenditure during Construction Period

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

Depreciation

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognized till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

The Company depreciates its property, plant and equipment (PPE) over the useful life in the manner prescribed in Schedule II to the Act. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for plant and equipment wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act. Useful life considered for calculation of depreciation for various assets class are as follows:-

Asset Class	Useful Life
Non-Factory Building	60 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Vehicles	8 & 10 years
Computers	3 years

Depreciation on fixed assets added/disposed off during the period is provided on pro-rata basis with reference to the date of addition/disposal.

The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets

Notes to standalone financial statement for the year ended March 31, 2023

4.2 Intangible assets

amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

4.3 Leases

At the inception of a lease, the lease arrangements is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

As a Lessee:

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowing or other financial liabilities as appropriate.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from lessor) are charged to profit or loss on straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a Lessor:

Lease income from operating leases where the Company is a lessor is recognised in other income on straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Deposits provided to Lessor:

The Company is generally required to pay refundable security deposits in order to obtain property leases from various lessors.

Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of deposit is recognised as lease prepayments. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments

Subsequent to initial recognition, the security deposit is measured at amortised cost using the effective interest method with carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognised as interest income. The lease repayment is amortised on straight-line basis over the lease term as lease rentals expense.

4.4 Inventories

Inventories consisting of stores and spares, raw materials, work in progress, stock in trade, goods in transit and finished goods are valued at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis and is net of credits under GST.

Traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Goods and materials in transit include materials, duties and taxes (other than those subsequently recoverable from tax authorities) labour cost and other related overheads incurred in bringing the inventories to their present location and condition.

Notes to standalone financial statement for the year ended March 31, 2023

4.5 Borrowing Cost

Borrowing cost includes interest expense, amortisation of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to the acquisition or construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing cost are recognised in the Statement of Profit and Loss in the period in which they are incurred.

4.6 Impairment of Assets

At the end of each reporting period, the Company reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

4.7 Government Grants

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on a systematic basis over the expected useful life of the related asset.

4.8 Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals

Notes to standalone financial statement for the year ended March 31, 2023**b) Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

4.9 Employee Benefits**a) Employee Benefits**

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled

b) Post-employment obligations**i) Defined benefit plans-Gratuity obligations**

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

Notes to standalone financial statement for the year ended March 31, 2023

ii) Defined contribution plans

The Company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

4.10 Provisions, Contingent Liability and Contingent Assets

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise, GST etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts. However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability. No contingent asset is recognized but disclosed by way of notes to accounts.

4.11 Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method

4.12 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government such as Goods and Services Tax, etc.

Sale of Goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue from sales excludes GST. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from rendering of services is recognized as per the terms of the contract with customers when related services are performed and when the outcome of the transactions involving rendering of services can be estimated reliably.

Dividend Income

Dividend Income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

4.13 Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the IND AS 7. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However, Bank overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

Notes to standalone financial statement for the year ended March 31, 2023

4.14 Earnings per share**i) Basic earnings per share**

a) The profit attributable to owners of the Company

b) By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

ii) Diluted earnings per share

a) The after 'income-tax' effect of interest and other financing costs associated with dilutive potential equity shares, and

b) The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

4.15 Segment Reporting

Based on "Management Approach" as defined in IND AS 108 – Operating Segments, the Management evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

4.16 Foreign Currency Transactions

In preparing the financial statements of the Company, transactions in foreign currencies, other than the Company's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency, are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise except for:

a) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and b) exchange differences on transactions entered into in order to hedge certain foreign currency risks.

4.17 Fair Value Measurement

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

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

In the principal market for the asset or liability, or In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

Notes to standalone financial statement for the year ended March 31, 2023

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

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

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

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

4.18 Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

4.19 Financial Instruments**a) Recognition and initial measurement**

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue

b) Classification and subsequent measurement**Financial assets**

On initial recognition, a financial asset is classified as measured at

- i) amortized cost;
- ii) Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- iii) Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the 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 the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

Investments in subsidiary company:

Investments in subsidiary company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary company, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

Notes to standalone financial statement for the year ended March 31, 2023**Financial liabilities**

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.

c) De-recognition**Financial assets**

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

Financial liabilities

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also de-recognizes 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 profit or loss.

d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

4.20 Recent accounting pronouncements which are not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023., as below:

Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the company's financial statements.

Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The amendments are not expected to have a material impact on the Companies financial statements.

Notes to standalone financial statement for the year ended March 31, 2023
(Rs. in lakhs)

33 Capital Commitment

Details of outstanding capital commitments are as under:

Particulars	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Estimated amount of contracts remaining to be executed on capital account and not provided for Capital goods / Capital work in progress	-	-
Advance paid against such contracts	-	-
Remaining outstanding commitment	-	-

34 Contingent Liabilities

Details of contingent liabilities are as under:

Particulars	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Outstanding Tax Matters:		
(i) Demand U/s 143(3) r.w.e. 147 of the Income Tax Act for A.Y.2011-12 against which Appeal filed by company and matter is pending before CIT (Appeals).	138.26	138.26
(ii) Demand U/s 143(3) r.w.e. 147 of the Income Tax Act for A.Y.2012-13 against which Appeal filed by company and matter is pending before CIT (Appeals).	102.49	102.49
(iii) Demand U/s 143(3) r.w.e. 147 of the Income Tax Act for A.Y.2013-14 against which Appeal filed by company and matter is pending before CIT (Appeals).	5.10	5.10

35 Details of Employee Benefits:**(a) Defined Contribution Plans**

As the company does not meet the employees' threshold, currently the company is not required to contribute towards any plan under any law for the time being in force. The company shall start contributing as and when it is required by the law.

(b) Defined Benefit Plan - Gratuity:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded.

For the year ended March 31, 2023; the company provides for the Liability for Gratuity to employees determined on the basis of actuarial Valuation based on Projected Unit Credit method.

The following table summarizes the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and the amounts recognized in the Balance Sheet for the plan:

A. Expenses Recognized during the period		(Rs. in lakhs)	
Particulars	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.	
In Income Statement	4.15	4.13	
In Other Comprehensive Income	(11.23)	(5.96)	
Total Expenses Recognized	(7.08)	(1.83)	

Notes to standalone financial statement for the year ended March 31, 2023

A1. Expenses Recognized in the Income Statement

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Current Service Cost	2.45	2.55
Net Interest Cost	1.7	1.58
Expenses Recognized in the Statement of Profit and Loss	4.15	4.13

B. Net Liability recognized in the balance sheet

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Present Value of Obligation	22.24	29.32
Fair value of plan assets	-	-
Surplus / (Deficit)	22.24	29.32
Net (Liability) recognized in the Balance sheet	(22.24)	(29.32)
Current Liability	1.52	8.9
Non-current Liability	20.72	20.42

B1. Changes in the Present value of Obligation

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Present Value of Obligation as at the beginning	29.32	31.14
Current Service Cost	2.45	2.55
Interest Expense or Cost	1.70	1.59
Re-measurement (or Actuarial) (gain) / loss :	(11.23)	(5.96)
Past Service Cost	-	-
Benefits Paid	-	-
Present Value of Obligation as at the end of the year	22.24	29.32

C. Actuarial Assumptions

Particulars	As at	As at
	March 31, 2023	March 31, 2021
	Rs.	Rs.
Discount Rate	7.45% p.a.	6.85% p.a.
Expected rate of salary increase	7.00% p.a.	7.00% p.a.
Expected Return on Plan Assets	Not Applicable	Not Applicable
Mortality	Indian Assured Lives Mortality (2012-14) Table	Indian Assured Lives Mortality (2012-14) Table
Retirement Age	60 Years	60 Years

D. Sensitivity Analysis

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	Rs.		Rs.	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 0.5%) (% change compared to base due to sensitivity)	23.1	21.42	30.25	28.44
Salary Growth Rate (- / + 0.5%) (% change compared to base due to sensitivity)	22.11	22.37	29.15	29.79
Attrition Rate (W.R. x 90% / W.R. x 110%) (% change compared to base due to sensitivity)	21.96	22.50	29.04	29.58

Notes to standalone financial statement for the year ended March 31, 2023

E. Maturity Profile of Project Benefit Obligation

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Weighted average duration (based on discounted cash flows)	8.62 years	7.08 years

Expected cashout flows over the next (valued on undiscounted basis):	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
1 year	1.52	8.90
2 to 5 years	5.86	5.93
6 to 10 years	17.86	17.04

E. Characteristics of defined benefit plans and risks associated with them:

Valuation of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit plans which are as follows:

(i) Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

(ii) Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(iii) Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

(iv) Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(v) Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

36 Segment Reporting

The Company operates in a single segment and in line with Ind AS - 108 - "Operating Segments", the operation of the Company fall under Chemical Business which is considered to be the only reportable business segment, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

Notes to standalone financial statement for the year ended March 31, 2023

38 Financial risk management

The Company's activities expose it to a variety of financial risks, including credit risk, market risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

The Company's risk management is governed by policies and approved by the board of directors. The Company identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Company has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

I Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The history of trade receivables shows a negligible provision for bad and doubtful debts. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments. The company has adopted simplified approach of ECL model for impairment.

i) Trade Receivables:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Company with various activities as mentioned above manages credit risk. An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The Company does not hold collateral as security.

ii) Financial assets that are neither past due nor impaired

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's assessment of credit risk about particular financial institution. None of the Company's cash equivalents, including term deposits (i.e., certificates of deposit) with banks, were past due or impaired as at each balance sheet date.

II Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The level of liquidity risk is very low considering the fact that the company relies on operating cash flows and owned equity. Currently the company has borrowed funds from bank mainly for day to day business needs (i.e. Cash Credit Facilities are being availed by the company).

Further the Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring the forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

III Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and commodity risk.

a) Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company's foreign exchange risk arises from its foreign currency purchase of Stock-in-trade, (primarily in USD). A significant portion of the Company's purchases are in foreign currencies, while its revenue are in Indian Rupees. As a result, if the value of the Indian rupee depreciates relative to these foreign currencies, the Company's purchase costs measured in Indian Rupees may increase. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. As of March 31, 2023, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in foreign currency risk.

i) The following table analyses foreign currency risk from non-derivative financial instruments as at each balance sheet date

Particulars	Currency	As at	As at
		March 31, 2023 Rs.	March 31, 2022 Rs.
Trade Payables	USD	55,800.00	-
	INR	45,81,235.80	-

Notes to standalone financial statement for the year ended March 31, 2023

ii) Foreign Currency Risk Sensitivity

The sensitivity of profit or loss due to changes in the exchange rates arises mainly from non-derivative foreign currency denominated financial instruments (mainly financial instruments denominated in USD currency). The same is summarized as below:

Particulars	Impact on Profit before tax			
	Year Ended March 31, 2023 Rs.		Year Ended March 31, 2022 Rs.	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	- 2,29,061.79	2,29,061.79	-	-

b) Interest Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs

a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken. 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 related primarily to the Company's short-term borrowings with floating interest rates. Company's treasury department monitors the interest rate movement and manages the interest rate risk based on its policies.

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

i) Exposure to interest rate risk

Particulars	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Non Current Borrowings	13.85	22.15
Deferred Payment Liabilities	196.78	
Current Borrowings	701.70	696.10
Total	912.34	718.25

For details of the Company's Non Current and Current borrowings, including interest rate profiles, refer to Note 17,18 and 21 of these Standalone financial statement.

ii) Interest Rate Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. The below sensitivity does not include the impact of interest rate swap contracts which largely mitigate the risk.

Particulars	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
50bp increase would decrease the profit before tax by	-4.56	-3.59
50bp decrease would increase the profit before tax by	4.56	3.59

c) Price Risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of active chemical products. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Company's stock generally fluctuate in line with commodity cycles. Purchase Cost of the products form the largest portion of the Company's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2023, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

Notes to standalone financial statement for the year ended March 31, 2023

i) **Exposure**

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either at fair value through OCI and at amortised cost. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

ii) **Sensitivity**

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

(Rs. in lakhs)

Impact on Other Comprehensive Income - OCI	Movement in Rate %.	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
Equity Shares (Quoted)	5%	28.87	26.57
Equity Shares (Quoted)	-5%	-28.87	-26.57

Above referred sensitivity pertains to quoted equity investment. Profit for the year would increase/ (decrease) as a result of gains/ losses on equity securities as at fair value through other comprehensive income before net of tax.

39 **Due to Micro, Small and Medium Enterprise**

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED), certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below:

(Rs. in lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Principal amount remaining unpaid to any supplier as at the end of accounting year	-	-
Interest due and remaining unpaid to any supplier as at the end of accounting year	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-
Total	-	-

Notes to standalone financial statement for the year ended March 31, 2023

40 Capital Management:

The Company's capital management is intended to maximise the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Company; and reduce the cost of capital through the optimization of the capital structure i.e. the debt and equity balance.

The Company monitors the capital structure on the basis of Net gearing ratio and maturity profile of the overall debt portfolio of the Company.

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Debt	715.55	718.25
Cash and bank balances	2.43	3.90
Net debt	713.12	714.35
Equity	2,398.15	2,284.16
Net gearing ratio	29.74%	31.27%

41 Details of Payment to Auditors

(Rs. in lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Payment to auditors:		
Statutory Audit Fees	4.50	4.50
Tax Audit Fees	-	-
Others (Fees for Other Audit Related Services)	-	-
Total	4.50	4.50

42 Trade receivables Ageing Schedule

a) Undisputed trade receivables

Particulars	As at March 31, 2023 Rs.		As at March 31, 2022 Rs.	
	Considered Good	Considered Doubtful	Considered Good	Considered Doubtful
Outstanding for following periods from due date of receipts				
Not Due				
Less than 6 months	1,428.34	1.46	2,076.41	1.00
6 months - 1 year	188.84	1.34	715.41	0.03
1-2 years	638.23	7.63	14.67	-
2-3 years	-	-	-	-
More than 3 Years	-	-	-	-
Total	2,255.41	10.43	2,806.49	1.03

b) Disputed trade receivables

Particulars	As at March 31, 2023 Rs.		As at March 31, 2022 Rs.	
	Considered Good	Considered Doubtful	Considered Good	Considered Doubtful
Outstanding for following periods from due date of receipts				
Not Due	-	-	-	-
Less than 6 months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 Years	-	-	-	-
Total	-	-	-	-

43 Trade Payables Ageing Schedule

Particulars	Outstanding as on 31st March 2023 for following periods from due date of payment				Total
	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-
Others	1,170.38	114.97	118.15	-	1,403.50
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Particulars	Outstanding as on 31st March 2022 for following periods from due date of payment				Total
	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-
Others	1,362.56	114.97	46.59	-	1,524.12
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

44 Ratios					
Sr. No	Ratio	Ratio as on 31st March 2023	Ratio as on 31st March 2022	% Deviation	Reasons for variance of above 25%
1	Current Ratio Current Assets Current Liabilities	1.42	1.55	-8.72%	-
2	Debt-to-equity Ratio Total Debt Shareholder's Equity	0.38	0.31	20.99%	Increase was primarily on account of increase in current borrowings.
3	Debt Service Coverage Ratio Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc. Debt Service = Interest & Lease Payments + Principal Repayments	1.52	1.88	-19.04%	Increase was primarily on account of increase in borrowings.
4	Return on Equity Ratio Net Profits after taxes – Preference Dividend (if any) Average Shareholder's Equity	0.02	0.07	-75.13%	-
5	Inventory Turnover Ratio Sales Average Inventory	9.96	16.84	-40.86%	Increase was on account of increase in average inventory as compared to last year.
6	Receivables Turnover Ratio Net Credit Sales Avg. Accounts Receivable	2.15	2.91	-25.96%	Increase was on account of increase in average trade receivables during the year.
7	Payables Turnover Ratio Net Credit Purchases Average Trade Payables	3.73	4.73	-21.21%	Increase was on account of increase in Purchase during the year as compared to average trade payables.
8	Net capital turnover Ratio Net Sales Working capital = Current assets – Current liabilities	6.22	6.25	-0.62%	Increase was on account of increase in Sales during the year as compared to working capital for the each year.
9	Net profit ratio Net Profit After Tax Net Sales	0.01	0.02	-62.16%	Decrease was on account of increase in operating margins and other administrative expenses as compared to last year.
10	Return on Capital employed Ratio Earning before interest and taxes Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	3.99%	8.38%	-52.47%	-
11	Return on investment Ratio Interest (Finance Income) Average of Bank Deposits	5.57%	5.28%	5.45%	-

Notes to standalone financial statement for the year ended March 31, 2023

(Rs. in Lakhs)

45	Particulars	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Net Profit for calculation of basic / diluted EPS	38.82	145.62
	Weighted Average Number of Equity Shares in calculating Basic and Diluted EPS	1,02,43,425.00	1,02,43,425
	Basic and Diluted Earnings Per Share	0.38	1.42
	Nominal Value of Equity Shares	10.00	10.00

46 Related Party Disclosures and Their Relatives

Related Party Disclosures as required by Accounting Standard Ind AS 24 issued by Institute of Chartered Accountants of India are given below:

(i) Related Parties and Nature of Relationship

a) The Enterprises in which Key Managerial Personnel (KMP) and their relatives have significant influence:

Name of related party	Nature of relationship
Yasons Chemex Care Limited	Subsidiary Company
Yash Chem	Controlled by Key Managerial Persons
Yashwantlal C. Shah HUF	Controlled by Key Managerial Persons
Pritesh Shah HUF	Controlled by Key Managerial Persons
Pritesh Yashwantbhai Shah	Key Managerial Person (Managing Director)
Yashwantlal C. Shah	Key Managerial Person (Wholetime Director)
Dimple Pritesh Shah	Key Managerial Person (Director)
Jinal Dineshbhai Shah	Key Managerial Person (Independent Director)
Angee Shah	Key Managerial Person (Independent Director)
Kiritkumar Shah	Key Managerial Person (Chief Financial Officer)
Khiloni Sheth	Key Managerial Person (Chief Financial Officer - Up to January 28,2022)
Charmi Shah	Key Managerial Person (Company Secretary upto 12th January, 2023)
Paxal P. Shah	Relative of Key managerial person
Himali Thakkar	Company Secretary of Subsidiary Company (Appointed as on 27th December, 2022)
Smit Shah	Key Managerial Person (Independent Director) of subsidiary Company
vinodkumar	Key Managerial Person (Independent Director) of subsidiary Company
Yash Corporation	Pritesh Y. Shah (HUF) is a Proprietor
Rishit Polysurf LLP	Yasons Chemex Care Limited (Designated Partner and Pritesh Y. Shah is a Nominnee)
Riddhi Shah	Key Managerial Person (Company Secretary Appointed as on 10th April, 2023)

(ii) Transactions during the period and balances outstanding with related parties are as under:

Transactions with related parties during the year:

Name of related party	Nature of Transaction	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
Yasons Chemex Care Limited	Sales of Goods	591.63	326.05
	Purchase of Goods	355.05	128.03
	Investment in equity shares	327.24	73.35
Yash Chem	Sales of Goods	7.00	81.39
	Purchase of goods	217.83	110.72
Yash Corporation	Sales of Goods	63.23	-
	Purchase of goods	172.95	-
Rishit Polysurf LLP	Sales of Goods	198.89	-
	Purchase of goods	282.52	-
Pritesh Yashwantbhai Shah	Director remuneration	-	22.00
Yashwant C. Shah	Director remuneration	-	8.50

Dimple Pritesh Shah	Director remuneration	-	15.00
Kiritkumar Shah	Key Managerial Person (Chief Financial Officer of Subsidiary Company)	0.40	-
Himali Thakkar	Key Managerial Person (Company Secretary of Subsidiary Company)	0.75	-
Khiloni Sheth	Key Managerial Person (Chief Financial Officer)	-	1.88
Charmi Shah	Key Managerial Person (Company Secretary up to 12th January, 2023)	3.48	2.96
Jinal Dineshbhai Shah	Director's Sitting Fees	0.40	0.12
Angee Shah	Director's Sitting Fees	0.44	0.25
Rushabh Anilbhai Shah	Director's Sitting Fees	0.60	0.07

(iii) Balances outstanding at each reporting date

Name of party	Nature of Amount	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Yasons Chemex Care Limited	(Advance from Customers) / Receivables	-	44.17
	Investment	893.24	566.00
Angee Shah	Director's Sitting Fees	(0.18)	
Kiritkumar Shah	Employees Payables	-	(0.14)
Charmi Shah	Employees Payables	-	(0.26)
Yash Chem	Advance to Suppliers / (Trade Payable)	-	11.07

Note: Figures in bracket denotes credit balance.

- 47 The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 48 The Company do not have any transactions with companies struck off.
- 49 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 50 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 51 The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- 52 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- 53 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
- 54 Subsequent Events : Subsequent to Balance Sheet Date, there are no events occurred which require disclosure or adjustments in the financial statements.

Notes to standalone financial statement for the year ended March 31, 2023

- | | |
|-----------|--|
| 55 | Approval of the Standalone Financial Statements: The Standalone Financial Statements were approved for issue by the board of directors on May 25,2023. |
| 56 | Previous year's figures have been regrouped/re-arranged/recasted, wherever necessary, so as to make them comparable with current year's figures. |

As per our report of even date attached.

For, H S K & Co LLP

Chartered Accountants
Firm Regd. No.117014W/W100685
UDIN:23115947BGWQBK1295

SD/-

Sudhir S. Shah

Partner

Membership No. 115947

Place : Ahmedabad

Date : May 25,2023

For, Yash Chemex Limited

SD/-

Pritesh Y. Shah

Managing Director and CFO

(DIN: 00239665)

SD/-

Riddhi Shah

Company Secretary

Membership Number:A70953

Place : Ahmedabad

Date : May 25,2023

SD/-

Dimple P Shah

Director

(DIN: 06914755)

INDEPENDENT AUDITOR'S REPORT

To the Members of **Yash Chemex Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Yash Chemex Limited** (the 'Company') and its subsidiary (hereinafter referred to as "The Holding and Subsidiary" and together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31,2023, and the Consolidated Statement of Profit and Loss (including other comprehensive income),Consolidated Statement of changes in equity and Consolidated Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were

addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there is no key audit matter to communicate in our report.

Information other than Financial Statements and Auditors Report thereon

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

Our opinion on the consolidated financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of subsidiary company audited by us, to the extent to it relates to subsidiary company and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. Other information so far as it's relates to the subsidiary company is traced from their financial statements audited by us.

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

Responsibilities of the Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Group in accordance with the Ind AS and 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 Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively or ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going

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

The respective Board of Directors of the companies included in the Group and of its subsidiary are also responsible for overseeing the financial reporting process of each company.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control 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 the 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 ability of the Group and its subsidiary to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of the Company and its subsidiary company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. With respect to matters specified in paragraph 3 (xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order" or "CARO"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, according to the information and explanations given to us and based on the CARO reports issued by the respective auditors of companies included in the consolidated financial statements, to which reporting under CARO is applicable, we report that as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditor in the CARO reports of the said respective companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

2. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit of the aforesaid Consolidated financial statements.
 - (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, returns and the reports of the respective auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income and the Consolidated Cash Flow Statement, Statement of changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards 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 of the Holding company as on March 31,2023 taken on record by the Board of Directors of the Holding company and the reports of the statutory auditor of the subsidiary company incorporated in India , 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 internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **“Annexure A”** which is based on auditors report of the parent, subsidiary company incorporated in India.
 - (g) In our opinion and based on the consideration of report of other statutory auditor of the subsidiary company incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiary incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
 - (h) 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) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Consolidated financial statements disclose the impact of pending litigations on the financial position of the Group – Refer Note 38 to the consolidated financial statements;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.
 - iv. (a) The respective managements of the Holding Company and its subsidiary, which is company incorporated in India whose financial statements have been audited under the

Act have represented to us and the other auditor of such subsidiary respectively 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 Holding Company or such subsidiary or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective managements of the Holding Company and its subsidiary which is company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or such subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary which is company incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. (a) The Holding Company and Subsidiary Company incorporated in India had not proposed any final dividend in the previous year, which was declared and paid by the Group during the year.

(b) The Holding Company and Subsidiary Company incorporated in India has not declared and paid any interim dividend during the year and until the date of this report.

(c) The Board of Directors of the Holding Company and Subsidiary Company incorporated in India have not proposed any final dividend for the year which is subject to approval of the members in the ensuing Annual General Meeting.

For, H S K & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 117014W\W100685

CA Sudhir S. Shah
Partner
M. No. 115947
UDIN: 23115947BGWQBK1295

Place: Ahmedabad
Date: May 25, 2023

“Annexure A”

To the Independent Auditors’ Report of even date on the Consolidated Financial Statements of Yash Chemex Limited.

Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of **Yash Chemex Limited** (“the Company”) and its subsidiary company which is incorporated in India as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the holding , its subsidiary company, which are companies incorporated in India, 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 systems over financial reporting and their operating effectiveness. Our

audit of internal financial controls over financial reporting included obtaining and 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 Judgement, 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 and the audit evidence obtained by the us of the subsidiary company, which is incorporated in India, in terms of their reports referred to in the other matters paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the holding, its subsidiary company, which are companies incorporated in India.

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to explanations given to us, the holding company and subsidiary company, which are incorporated in India, have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls as stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.(the "Guidance Note")

Other Matters

Our aforesaid reports under Clause (j) of Sub-section 3 of Section 143 of the Act on the adequacy and reporting effectiveness of the internal financial controls over financial reporting in so far as it relates to an one subsidiary company incorporated in India, is based on the corresponding report of the auditor of such subsidiary company incorporated in India.

Our opinion is not modified in respect of the above matters.

For, H S K & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 117014W\W100685

CA Sudhir S. Shah
Partner
M. No. 115947
UDIN: 23115947BGWQBK1295

Place: Ahmedabad
Date: May 25, 2023

YASH CHEMEX LIMITED			
Consolidated Balance Sheet as at March 31, 2023			
(Rs. in lakhs)			
Particulars	Note No.	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	5	385.11	86.81
(b) Capital Work-in-progress	6	-	-
(c) Goodwill		74.57	13.68
(d) Financial assets			
(i) Investments	7	1,236.03	1,046.65
(ii) Loans	8	50.00	270.79
(iii) Other financial assets	9	22.61	21.46
(e) Deferred Tax Assets		-	-
(f) Non Current Asstes	10	1.68	1.68
Total non - current assets		1,770.01	1,441.08
2 Current assets			
(a) Inventories	11	1,370.60	939.90
(b) Financial assets			
(i) Trade receivables	12	3,394.42	3,997.33
(ii) Cash and cash equivalents	13	10.87	9.60
(iii) Bank balances other than cash and cash equivalents	14	121.96	97.17
(iv) Loans		-	-
(v) Other financial assets		-	-
(c) Current Tax Assets (net)		-	-
(d) Other current assets	15	95.37	339.35
Total current assets		4,993.22	5,383.36
Total assets (1+2)		6,763.23	6,824.44
B EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital	16	1,024.34	1,024.34
(b) Other equity	17	1,899.69	1,545.01
Equity attributable to equity holders of the company		2,924.03	2,569.35
(c) Non-controlling interest		727.59	891.55
Total equity		3,651.62	3,460.90
LIABILITIES			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	91.22	87.27
(ii) Deferred Payment Liabilities	19	196.78	
(b) Provisions	20	20.72	20.42
(c) Deferred tax liabilities (Net)	21	101.63	82.95
Total non - current liabilities		410.35	190.64
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	970.73	912.38
(ii) Trade payables	23		
- Total Outstanding dues of Small Enterprises & Medium Enterprises		-	-
- Total Outstanding dues of creditors other than Small Enterprises & Medium Enterprises		1,695.70	2,065.91
(iii) Other financial liabilities		-	-
(b) Other current liabilities	24	3.13	175.08
(c) Provisions	25	2.26	8.90
(d) Current tax liabilities (Net)	26	29.44	10.63
Total current liabilities		2,701.26	3,172.90
Total equity and liabilities (1+2+3)		6,763.23	6,824.44
Summary of significant accounting policies			
The accompanying notes are an integral part of financial statements	1 to 63		

As per our Report of even date attached.

For, H S K & Co LLP

Chartered Accountants

Firm Regd. No.117014W/W100685

UDIN:23115947BGWQBK1295

SD/-

Sudhir S. Shah

Partner

M. No.115947

Place : Ahmedabad

Date : May 25,2023

For, Yash Chemex Limited

SD/-

Pritesh Y. Shah

Managing Director and CFO

(DIN: 00239665)

SD/-

Riddhi Shah

Company Secretary

Membership Number:A70953

Place: Ahmedabad

Date : May 25,2023

SD/-

Dimple P Shah

Director

(DIN:06914755)

YASH CHEMEX LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2023			
(Rs. in lakhs)			
Particulars	Note No.	Year Ended March 31, 2023 Rs.	Year Ended March 31, 2022 Rs.
INCOME			
I Revenue from operations	27	8,533.14	9,783.73
II Other income	28	608.77	194.15
III Total income (I + II)		9,141.91	9,977.88
EXPENSES			
(a) Cost of materials consumed	29	2,484.05	1,608.97
(b) Purchases of stock-in-trade	30	6,404.05	7,722.21
(c) Changes in inventories of finished goods and stock-in-trade	31	(507.73)	(126.26)
(d) Employee benefit expense	32	31.64	81.12
(e) Finance costs	33	118.40	86.76
(f) Depreciation and amortisation expense	34	11.35	14.31
(g) Other expenses	35	127.88	131.81
IV Total expenses		8,669.64	9,518.92
V Profit before tax (III- IV)		472.27	458.96
VI Tax expense	36		
(1) Current tax		86.41	97.15
(2) Deferred tax charge\ (credit)		(6.71)	1.33
(3) Tax In Respect of Earlier Year		10.98	19.24
Total tax expense		90.68	117.72
VII Profit for the period (V-VI)		381.59	341.24
VIII Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Equity instruments through other comprehensive income		89.21	66.20
Remeasurements of the defined benefit plans		11.66	5.96
(ii) Income tax relating to items that will not be reclassified to profit or loss		(25.39)	(18.16)
Total other comprehensive income		75.48	54.00
IX Total comprehensive income for the period (VII+VIII)		457.07	395.24
Profit for the year attributable to			
Equity holders of the company		279.29	252.72
Non-controlling interest		102.31	88.52
Other comprehensive income attributable to			
Equity holders of the company		75.38	54.00
Non-controlling interest		0.10	-
Total comprehensive income attributable to			
Equity holders of the company		354.66	306.72
Non-controlling interest		102.41	88.52
X Basic & diluted earnings per share of face value of Rs.10 each fully paid up	46		
(1) Basic		2.73	2.47
(2) Diluted		2.73	2.47
Significant Accounting Policies The accompanying notes are an integral part of financial statements	1 to 63		

As per our Report of even date attached.

For, H S K & Co LLP

Chartered Accountants

Firm Reel. No.117014W/W100685

UDIN:23115947BGWQBK1295

SD/-

Sudhir S. Shah

Partner

M. No.115947

Place : Ahmedabad

Date : May 25,2023

For, Yash Chemex Limited

SD/-

Pritesh Y. Shah

Managing Director and CFO

(DIN: 00239665)

SD/-

Riddhi Shah

Company Secretary

Membership Number:A70953

Place: Ahmedabad

Date : May 25,2023

SD/-

Dimole P Shah

Director

(DIN:06914755)

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YASH CHEMEX LIMITED		
Consolidated Cash Flow Statement for the year ended March 31, 2023		
Particulars	Year Ended March 31, 2023 Rs.	Year Ended March 31, 2022 Rs.
Cash flow from operating activities		
Profit Before Tax	472.27	458.96
Adjustments for :		
Depreciation and amortisation expense	11.35	14.31
Provision for expected credit loss	11.58	(2.54)
Finance costs	118.40	86.76
Dividend Income	(2.03)	(2.97)
Share of Profit from Investment In LLP	(143.49)	(80.37)
Interest income	(11.92)	(24.68)
Operating profit before working capital	456.16	449.46
Changes in operating assets and		
(Increase)/Decrease in inventories	(430.70)	(337.96)
(Increase)/Decrease in trade receivables	638.64	(345.15)
(Increase)/Decrease in Other current financial assets , other current assets , Loans (Current + Non Current)	438.83	(101.85)
Increase/(Decrease) in trade payable	(370.21)	174.20
Increase/(Decrease) in other current financial liabilities, other current liabilities , Provisions (Current + Non Current)	(178.29)	(54.16)
Cash flow generated from operations	554.43	(215.47)
Direct taxes paid (net)	(101.56)	(131.03)
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A)	452.87	(346.48)
Cash flows from investing activities		
Purchase of property, plant and equipments (Including CWIP) (Net)	(309.65)	(0.04)
Interest received	11.92	24.68
Dividend Income	2.03	2.97
Purchase of Non Current Investments made during the year (net)	(296.58)	(66.26)
NET CASH FLOW FROM / (USED IN) IN INVESTING ACTIVITIES (B)	(592.28)	(38.65)
Cash flows from financing activities		
Finance costs paid	(118.40)	(86.76)
Availment \ (Repayment) of Current & Non Current Borrowings	259.08	455.91
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	140.68	369.15
NET INCREASED / (DECREASED) IN CASH AND CASH EQUIVALENTS (A + B + C)	1.27	(15.98)
Cash and cash equivalents at the beginning of the year	9.60	25.58
Cash and cash equivalents at the end of the year	10.87	9.60

Notes:

(i) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Cash Flow Statements specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(ii). Previous Period's / Year's figures have been re-grouped / Re-Classified where necessary to make it comparable with the current period.

As per our Report of even date attached.

For, H S K & Co LLP

Chartered Accountants

Firm Regd. No.117014W/W100685

UDIN:23115947BGWQBK1295

For, Yash Chemex Limited

SD/-

Pritesh Y. Shah
Managing Director and

CFO

(DIN: 00239665)

SD/-

Dimple P.Shah
Director

(DIN:06914755)

SD/-

Sudhir S. Shah

Partner

M. No.115947

SD/-

Riddhi Shah

Company Secretary

Membership Number:A70953

Place : Ahmedabad

Date : May 25,2023

Place : Ahmedabad

Date : May 25,2023

YASH CHEMEX LIMITED

Consolidated Statement of Changes in Equity for the year ended on March 31, 2023

Equity Share Capital

(Rs. in lakhs)

Particulars	Note No.	Amount Rs.
As at April 1, 2021	16	1,024.34
Changes due to prior period errors		-
Restated Balance as April 1, 2021		1,024.34
Changes during the year 2021-22		-
As at March 31, 2022	16	1,024.34
Changes due to prior period errors		-
Restated Balance as April 1, 2022		1,024.34
Changes during the year 2022-23		-
As at March 31, 2023	16	1,024.34

Other Equity

(Rs. in lakhs)

Particulars	Note No.	Reserves and Surplus		Other Components of Equity		Total
		Retained Earnings	Security Premium	Equity Instruments through Other Comprehensive Income	Remeasurement of Defined Benefit Plant	
Balance as at 31st March, 2021	17	855.86	163.22	227.66	(8.44)	1,238.30
Profit for the year		252.72	-	-	-	252.72
Other comprehensive income for the year (Net of Tax)		-	-	49.54	4.46	54.00
Payment of Interim Dividends		-	-	-	-	-
Balance as at 31st March, 2022	17	1,108.58	163.22	277.19	(3.98)	1,545.01
Profit for the year		279.29	-	-	-	279.29
Other comprehensive income for the year (Net of Tax)		-	-	66.76	8.64	75.40
Payment of Interim Dividends		-	-	-	-	-
Balance as at 31st March, 2023	17	1,387.86	163.22	343.95	4.66	1,899.69

In terms of our report attached.

For, H S K & Co LLP

Chartered Accountants

Firm Regd. No.117014W/W100685

UDIN: 23115947BGWQBK1295

SD/-

Sudhir S. Shah

Partner

M. No.115947

Place : Ahmedabad

Date : May 25,2023

For, Yash Chemex Limited

SD/-

Pritesh Y. Shah

Managing Director

(DIN: 00239665)

SD/-

Riddhi Shah

Company Secretary

Membership Number:A70953

Place : Ahmedabad

Date : May 25,2023

SD/-

Dimple P.Shah

Director

(DIN:06914755)

Notes to Consolidated Financial Statement for the year ended March 31, 2023

7	<u>Non-current Investments</u>	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Investment in Subsidiary LLP at cost		
	Capital Contributions in Subsidiary LLP (unquoted)		
	Rishit Polysurf LLP	658.69	515.20
	Investments in Equity Instruments at fair value through other comprehensive income (Quoted)		
	Mahickra Chemical Ltd.		
	579500 shares as on 31-03-2023,(605000 shares as on 31-03-2022) of face value Rs. 10 each fully paid up.	574.63	514.25
	Hindprakash Industries Ltd		
	Nil shares as on 31-03-2023,(27000 shares as on 31-03-2022) of face value Rs. 10 each fully paid up.	-	14.96
	Ushanti Colour Chem Ltd		
	4000 shares as on 31-03-2023,(4000 shares as on 31-03-2022) of face value Rs. 10 each fully paid up.	2.71	2.24
	Total	1,236.03	1,046.65
	Aggregate amount of quoted investment - At cost	142.29	170.13
	Aggregate amount of Unquoted investment - At cost	658.69	515.20

8	<u>Non-current loans</u>	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Unsecured and considered good		
	Loans to Others	50.00	270.79
	Total	50.00	270.79

9	<u>Other Non-current financial assets</u>	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Unsecured and considered good		
	Security Deposits	5.01	4.87
	Bank deposits with more than 12 months maturity (Balance held as Margin Money)	17.60	16.59
	Total	22.61	21.46

10	<u>Non-Current Assets</u>	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Unsecured and considered good		
	Advances for Capital Goods Supplier	1.68	-
	Total	1.68	-

11	<u>Inventories</u>	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Raw materials	211.00	288.03
	Work-in-Process	0.24	14.37
	Finished Stock	392.43	86.64
	Stores & Others	13.02	18.31
	Stock in Trade	753.91	532.54
	Total	1,370.60	939.90

Notes to Consolidated Financial Statement for the year ended March 31, 2023

12	Trade receivables	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Unsecured,		
	Considered Good	3,394.42	3,997.33
	Credit impaired	13.00	1.42
		3,407.42	3,998.75
	Less: Allowance for Expected Credit Loss	13.00	1.42
	Total	3,394.42	3,997.33

Notes:

- i. For Dues from Related Parties, - Refer Note -47 and for Ageing analysis Refer Note No :-56
- ii. The Fair Values of Trade Receivables are not considered to be significantly different from their carrying values, given their generally short period to maturity, with impairment reviews considered on an individual basis rather than when these become overdue.
- iii. The Company provides an allowance for impairment of doubtful accounts based on financial condition of the customer, aging of the trade receivable and historical experience of collections from customers.

The activity in the allowance for impairment of trade receivables is given below:

	Allownace Movement for Trade Receivables	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Balance at the beginning	1.42	3.95
	Add : Allowance made during the year	11.58	-
	Less : Reversal of allowance made during the year	-	(2.54)
	Closing Balance	13.00	1.42

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2023

13	Cash & Cash Equivalents	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Balances with Bank - In Current Account	-	0.05
	Cash on hand	10.87	9.55
	Total	10.87	9.60

14	Bank balances other than cash and cash equivalents	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Fixed deposits with banks (with original maturity more than 3 months but less than 12 months)	121.96	97.17
	Total	121.96	97.17

15	Other Current Assets	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Unsecured, considered good		
	Advances to Suppliers Other than Capital Advance	1.15	14.74
	Prepaid Expenses	1.47	1.61
	Balances with Statutory Authorities	61.59	9.34
	Others	31.16	313.66
	Total	95.37	339.35

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2023

16	Equity Share Capital	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	[i] Authorised Share Capital: 110,00,000 Equity shares of Rs. 10 each as at March 31, 2023 (110,00,000 Equity shares of Rs. 10 each as at March 31, 2022)	1,100.00	1,100.00
	[ii] Issued, Subscribed & Paid-up Capital : 1,02,43,425 equity shares of Rs. 10 each fully paid as at March 31, 2023 (1,02,43,425 equity shares of Rs. 10 each fully paid as at March 31, 2022)	1,024.34	1,024.34
	Total	1,024.34	1,024.34

16.01 Reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2023 and March 31, 2022, is set out below:-

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amt (Rs.)	No. of Shares	Amt (Rs.)
Shares at the beginning	1,02,43,425.00	1,024.34	1,02,43,425.00	1,024.34
Addition	-	-	-	-
Deletion	-	-	-	-
Shares at the end	1,02,43,425.00	1,024.34	1,02,43,425.00	1,024.34

16.02 The details of shares held by Parent Company and shareholders holding more than 5% shares is set out below.

Particulars		As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
Pritesh Y Shah	Nos.	2552720	20,10,427.00
	%	24.92	19.63
Pritesh Y Shah HUF	Nos.	1255540	10,87,443.00
	%	12.26	10.62
Yashvantbhai C Shah HUF	Nos.	799264	7,52,232.00
	%	7.80	7.34
Yashvantbhai C Shah	Nos.	721365	6,32,394.00
	%	7.04	6.17
Dimple P Shah	Nos.	861477	8,04,615.00
	%	8.41	7.85

16.03 The details of Promoters holding shares in the company is set out below.

Particulars		% Change During	% Change During	As at	As at
		the year	the year	March 31, 2023	March 31, 2022
		As at	As at	Rs.	Rs.
		March 31, 2023	March 31, 2022		
Pritesh Y Shah	Nos.	5,42,293.00	-	25,52,720.00	20,10,427.00
	%	5.29	-	24.92	19.63
Pritesh Y Shah HUF	Nos.	1,68,097.00	-	12,55,540.00	10,87,443.00
	%	1.64	-	12.26	10.62
Yashvantbhai C Shah HUF	Nos.	47,032.00	-	7,99,264.00	7,52,232.00
	%	0.46	-	7.80	7.34
Yashvantbhai C Shah	Nos.	88,971.00	-	7,21,365.00	6,32,394.00
	%	0.87	-	7.04	6.17
Dimple P Shah	Nos.	56,862.00	-	8,61,477.00	8,04,615.00
	%	0.56	-	8.41	7.85
Chandrika Yashvant Shah	Nos.	(2,59,882.00)	-	60,000.00	3,19,882.00
	%	(2.54)	-	0.59	3.12
Paxal Shah	Nos.	63,000.00	-	63,000.00	-
	%	0.62	-	0.62	-

16.04 **Rights, Preferences and Restrictions attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held.

The dividend, if any 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, if any, in proportion to their shareholding.

16.05 The Company has not reserved any share for issue under options and contracts or commitments for the sale of shares or disinvestment.

16.06 Aggregate number and class of shares bought back :- Nil

16.07 Securities which are convertible into Equity Shares :- Nil

16.08 Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash :- Nil

16.09 Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash :- Nil

16.10 Aggregate Value of Calls unpaid by directors and officers :- Nil

16.11 Aggregate number and class of shares allotted as fully paid by way of Bonus Shares :- Nil

16.12 Details of shares issued pursuant to contract(s) without payment being received in cash or by way of bonus shares or equity shares During the financial year 2017-18, Company has issued 61,46,055 Bonus shares to the shareholders.

Notes to Consolidated Financial Statement for the year ended March 31, 2023

17	<u>Other Equity</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
	Security Premium		
	Balance as per last Consolidated Financial Statement	163.22	163.22
	Add : Received during the year	-	-
	Less: Utilised for issuance of bonus shares	-	-
	Closing Balance	163.22	163.22
	Surplus in Statement of Profit & Loss :		
	Balance as per last Consolidated Financial Statement	1,108.58	855.86
	Add : Profit for the year	279.29	252.72
	Net Surplus in the statement of profit and loss	1,387.87	1,108.58
	Other Comprehensive Income		
	Balance as per last Consolidated Financial Statement	273.22	219.22
	Add : Other Comprehensive Income For the Year	75.38	72.16
	Less : Income tax relating to above items that will not be reclassified to profit or loss	-	(18.16)
	Net Surplus in the statement of other comprehensive income	348.60	273.22
		1,736.47	1,381.79
	Total	1,899.69	1,545.01

Securities Premium: The amount received in excess of face value of the equity shares is recognised in equity security premium. Being realised in cash, the same can be utilised by the company for issuance of bonus shares and writing of share issue expenses.

Retained earnings: Retained earnings can be utilised by the company for distribution to its equity shareholders of the company. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

Other Comprehensive Income: This represents the cumulative gains and losses arising on the revaluation of equity instruments net of amounts reclassified to retained earnings when such assets are disposed off. It also includes re-measurement loss and gain on defined benefit plans, net of taxes that will not be reclassified to profit and loss.

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2023

18	Non-Current Borrowings	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Unsecured Borrowing from Banks	70.93	87.27
	Secured Borrowing from Banks	20.29	-
	Total	91.22	87.27

Unsecured Borrowings:

Business loan is unsecured and payable as per agreed repayment schedule ranging from 12 Months to 36 Months monthly installments carry interest rate ranging from 14.00% to 17.00% p.a.

19	Deferred Payment Liabilities	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Deferred payment for acquisition of Property, Plant and Equipment	196.78	-
	Total	196.78	-

Secured and payable as per agreed repayment schedule of 120 Months, Quarterly Installments carry interest rate ranging from 10.00 % to 11.00 % p.a.

20	Non-Current Provisions	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Provision for Gratuity	20.72	20.42
	Total	20.72	20.42

21	Deferred Tax Liability (Net)	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Deferred Tax Assets		
	Allowance for Expected Credit Loss on Trade Receivables	3.27	0.26
	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	0.70	-
	Unpaid liability allowable on payment basis in succeeding years u/s. 43B of the Income tax Act, 1961	6.11	8.42
	Total Deferred Tax Assets	10.08	8.68
	Deferred Tax Liabilities		
	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	2.22	0.69
	Fair Valuation of investment in Equity Instruments	109.49	90.94
	Total Deferred Tax Liabilities	111.71	91.63
	Net Deferred Tax Liabilities	101.63	82.95

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2023

Note i. Movement of deferred tax liability:

Movements in Deferred Tax Liabilities	Unpaid liability allowable on payment basis in succeeding years u/s. 43B of the Income tax Act, 1961	Fair Valuation of investment in Equity Instruments	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	Allowance for Expected Credit Loss on Trade Receivables
At March 31, 2021 *	7.84	(72.93)	0.41	1.22
(Charged) / credited: to profit or loss	0.58	-	(1.67)	(0.96)
to other comprehensive income	-	(18.01)	-	-
At March 31, 2022 *	8.42	(90.94)	(0.69)	0.26
(Charged) / credited: to profit or loss	(2.31)	-	(0.83)	3.01
to other comprehensive income	-	(18.55)	-	-
At March 31, 2023 *	6.11	(109.49)	(1.52)	3.27

22 <u>Current Borrowings</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Secured From Banks - Cash Credit Facility	874.19	823.26
Secured From Financial Institution -Cash Credit Facility	5.07	19.45
Current Maturity of long term borrowings	91.47	69.67
Total	970.73	912.38

Notes:

Cash Credit facility availed from Bank is secured by Charge on Fixed deposits, and Equitable mortgage of Office Premises, Current and Future Assets of the companies & personal guarantee of Directors Mr. Pritesh Y Shah and Yashwant C Shah having ROI ranging from 8.00% to 11.00%

23 <u>Trade payables</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,695.70	2,065.91
Total	1,695.70	2,065.91

Note: Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management.

This has been relied upon by the Auditors. For Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006.- Refer Note - 43 and for Ageing analysis Refer Note No :-57

24 <u>Other Current Liabilities</u>	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Advance received from customers	-	159.11
Other Statutory dues	3.13	15.97
Total	3.13	175.08

Notes to Consolidated Financial Statement for the year ended March 31, 2023

25	Current Provisions	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Provisions for Gratuity	2.26	8.90
	Total	2.26	8.90

26	Current Tax Liabilities (Net)	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Provision For Income tax	29.44	10.63
	Total	29.44	10.63

27	Revenue from operation	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Sale of Products	8,533.14	9,783.73
	Total	8,533.14	9,783.73

28	Other Income	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Interest income	11.92	24.68
	Other Income	379.04	75.55
	Dividend Income	2.03	2.97
	Commission Income	72.29	10.58
	Share of Profit from Investment In LLP	143.49	80.37
	Total	608.77	194.15

29	Cost of Materials Consumed	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Inventory at the beginning of the year	288.03	76.33
	Add: Purchase	2,407.02	1,820.67
	Less: Inventory at the end of the year	(211.00)	(288.03)
	Cost of Materials Consumed	2,484.05	1,608.97

30	Purchase of Stock in Trade	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Trading Purchase	6,404.05	7,722.21
	Total	6,404.05	7,722.21

31	Change In Inventories Of Finished Goods And Stock in Trade	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Inventory at the beginning of the year		
	Work-in-process	14.37	8.18
	Stock in Trade	532.55	390.26
	Finished Stock	86.64	101.94
	Packing Material Stock	18.31	25.23
		651.87	525.61
	Inventory at the end of the year		
	Work-in-process	0.24	14.37
	Stock in Trade	753.91	532.54
	Finished Stock	392.43	86.64
	Packing Material Stock	13.02	18.31
		1,159.60	651.87
	Decretion / (Accretion) to Stock	(507.73)	(126.26)

Notes to Consolidated Financial Statement for the year ended March 31, 2023

32	Employee Benefit Expense	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Salary, Wages & Bonus Expenses	17.32	22.48
	Directors Remuneration	9.00	54.50
	Gratuity Expenses	5.32	4.13
	Total	31.64	81.12

33	Finance Costs	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Interest Paid to Banks & Financial Institutions	107.41	62.66
	Interest Paid to Others	2.32	9.40
	Other Borrowing cost	8.67	14.71
	Total	118.40	86.76

34	Depreciation And Amortisation Expense	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Depreciation on Property, Plant & Equipment	11.35	14.31
	Total	11.35	14.31

35	Other Expenses	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
	Import related Charges and Expenses	4.55	9.43
	Transportation Expenses	19.04	18.01
	Advertisement Expenses	0.43	0.29
	Auditor's Remuneration	4.75	5.75
	Director Sitting Fees	1.44	0.45
	Electricity Charges	0.84	1.94
	Insurance Charges	4.40	5.13
	Labour charges	0.12	1.25
	Other Expenses	20.61	3.51
	Legal & Professional Fees	33.29	11.45
	Telephone Expenses	0.41	0.40
	Travelling & Conveyance Expenses	1.14	0.24
	Foreign Exchange Loss	3.87	8.62
	Rent Rates & Taxes	0.68	9.68
	Repair & Maintenance - Computers & Others	0.34	0.46
	Repair & Maintenance - Machinery	0.06	0.32
	Repair & Maintenance - Vehicle	0.54	1.58
	Expected Credit Loss Allowance\ (Reversal)	11.58	(2.54)
	Printing & Stationery & Postage Expenses	2.59	0.74
	Sales & Marketing Exp	7.36	46.42
	Factory Expenses	9.84	8.67
	Total	127.88	131.81

Notes to Consolidated Financial Statement for the year ended March 31, 2023

36	Income tax recognised in profit or loss	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
Current tax:			
In respect of the current year		86.41	97.15
In respect of the prior year		10.98	19.24
Sub-Total (i)		97.39	116.39
Deferred tax:			
In respect of the current year		(6.71)	1.33
Sub-Total (ii)		(6.71)	1.33
Total (i + ii)		90.68	117.72

36.1	Income tax reconciliation	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
Particulars			
Profit before tax		472.27	458.96
Income tax expenses calculated at effective tax rate (25.168% current year and 25.168 % previous year)		118.86	115.51
Effect of expenses not allowed for tax purpose		35.90	17.71
Effect of Income not considered for tax purpose & Other deductible expenses		(21.65)	(16.25)
Effect of Impact of earlier year tax		10.98	19.24
Effect of Related to Deferred Tax Balances		(6.71)	1.33
Effect of Other Items		(46.70)	(19.82)
Total Income Tax Expenses recognised in the statement of profit and loss		90.68	117.72

Notes to consolidated financial statement for the year ended March 31, 2023

1 Corporate information:

The Consolidated Ind AS financial statements relate to Yash Chemex Limited ("the Company") and its subsidiary company "Yasons Chemex Care Limited". The Company and its subsidiary is collectively referred to as "the Group". The Company is a listed entity and incorporated on June 3, 2006 under the provisions of the Companies Act, 1956; having registered office at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad - 380015, Gujarat, India. Refer Note No. 51 and 52 for details of subsidiary consolidated in the financial statement.

Summary of basis of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and significant accounting policies**2 Basis of Preparation of consolidated Ind**

The principal accounting policies applied in the preparation of these consolidated Ind AS financial statements are set out below. These policies have been consistently applied to all the years presented.

(i) Compliance with Ind-AS

These consolidated Ind AS financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

(ii) Basis of Preparation and presentation

The consolidated Ind AS financial statements have been prepared and presented on the going concern basis and at historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by relevant IND AS.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(a) Certain financial assets/liabilities measured at fair value (refer accounting policy regarding financial instruments) and

(b) Any other item as specifically stated in the accounting policy.

iii) Principles of consolidation:

The consolidated Ind AS financial statements relate to Yash Chemex Limited ('the Company') and its subsidiary company (" the group"). The consolidated Ind AS financial statements have been prepared on the following basis:

a) Subsidiary are those entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

b) The group combines the consolidated Ind AS financial statements of the parent and its subsidiary line by line adding together the book value of like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between group company are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Notes to consolidated financial statement for the year ended March 31, 2023

- c) Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiary is attributed to the owners of the Group and to the noncontrolling interests even if this results in the non-controlling interests having a deficit balance.
- d) The Group considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:
- i) the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
 - ii) potential voting rights held by the Company, other vote holders or other parties;
 - iii) rights arising from other contractual arrangements; and
 - iv) any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.
- e) Non-Controlling Interest share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- f) As far as possible, the consolidated Ind AS consolidated Ind AS financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate Ind AS financial statements.

(iv) Functional and Presentation Currency

The consolidated Ind AS financial statements are presented in Indian Rupees, which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates.

(v) Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months period has been considered by the Group as its normal operating cycle.

(vi) Rounding of amounts

The consolidated Ind AS financial statements are presented in INR and all values are rounded to the nearest Lakh (INR 1,00,000) as per the requirement of Schedule III, unless otherwise stated.

3 Critical accounting estimates, assumptions and judgements

The preparation of consolidated Ind AS financial statements requires management of the group to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances

Notes to consolidated financial statement for the year ended March 31, 2023

a) Useful lives of property, plant and equipment

Useful lives and residual values of Property, plant and equipment represent a material portion of the Group's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology.

b) Provision for income tax and valuation of

The Group has tax jurisdiction in India. Significant judgments are involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

c) Employee benefit obligations

Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgment is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.

d) Provisions and contingent liabilities

A provision is recognized when the Group has a present 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 a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and 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 in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

e) Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose, the Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the group establish appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4 Summary of Significant Accounting Policies :-**4.1 Property, Plant and Equipment (PPE)**

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount/rebate, import duties, non-refundable taxes, Net of Cenvat and GST input credit wherever applicable, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management of the group.

Notes to consolidated financial statement for the year ended March 31, 2023

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

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the group in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Items such as spare parts, standby equipment and servicing equipment are recognised as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

The Group adjusts exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset. The depreciation on such foreign exchange difference is recognised from first day of its financial year.

De-recognised upon disposal

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when asset is derecognised.

Treatment of Expenditure during Construction Period

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

Depreciation

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognized till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

The Group depreciates its property, plant and equipment (PPE) over the useful life in the manner prescribed in Schedule II to the Act. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for plant and equipment wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act. Useful life considered for calculation of depreciation for various assets class are as follows:-

Notes to consolidated financial statement for the year ended March 31, 2023

Asset Class	Useful Life
Non-Factory Building	60 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Vehicles	8 & 10 years
Computers	3 years

Depreciation on property, plant and equipment (PPE) added/disposed off during the period is provided on pro-rata basis with reference to the date of addition/disposal.

The identified component of property, plant and equipment (PPE) are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets

4.2 Intangible assets

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

4.3 Leases

At the inception of a lease, the lease arrangements is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

As a Lessee:

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowing or other financial liabilities as appropriate.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from lessor) are charged to profit or loss on straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a Lessor:

Lease income from operating leases where the Group is a lessor is recognised in other income on straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Deposits provided to Lessor:

The Group is generally required to pay refundable security deposits in order to obtain property leases from various lessors.

Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of deposit is recognised as lease prepayments. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments

Notes to consolidated financial statement for the year ended March 31, 2023

Subsequent to initial recognition, the security deposit is measured at amortised cost using the effective interest method with carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognised as interest income. The lease repayment is amortised on straight-line basis over the lease term as lease rentals expense.

4.4 Inventories

Inventories consisting of stores and spares, raw materials, work in progress, stock in trade, goods in transit and finished goods are valued at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis and is net of credits under GST.

Traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Goods and materials in transit include materials, duties and taxes (other than those subsequently recoverable from tax authorities) labour cost and other related overheads incurred in bringing the inventories to their present location and condition.

4.5 Borrowing Cost

Borrowing cost includes interest expense, amortisation of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to the acquisition or construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing cost are recognised in the Statement of Profit and Loss in the period in which they are incurred.

4.6 Impairment of Assets

At the end of each reporting period, the Group reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

Notes to consolidated financial statement for the year ended March 31, 2023**4.6 Government Grants**

Government grants are recognized when there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received. When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on a systematic basis over the expected useful life of the related asset.

4.7 Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals

b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4.8 Employee Benefits**a) Employee Benefits**

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled

Notes to consolidated financial statement for the year ended March 31, 2023

b) Post-employment obligations**i) Defined benefit plans-Gratuity obligations**

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or

ii) Defined contribution plans

The Group pays provident fund contributions to publicly administered funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

4.8 Provisions, Contingent Liability and Contingent Assets

Disputed liabilities and claims against the Group including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise, GST etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts. However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability. No contingent asset is recognized but disclosed by way of notes to accounts.

4.9 Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method

Notes to consolidated financial statement for the year ended March 31, 2023**4.10 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government such as Goods and Services Tax, etc.

Sale of Goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue from sales excludes GST. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from rendering of services is recognized as per the terms of the contract with customers when related services are performed and when the outcome of the transactions involving rendering of services can be estimated reliably.

Dividend Income

Dividend Income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Interest Income

Interest Income on financial assets measured at amortised cost is recognised on a time-proportion basis

4.11 Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the IND AS 7. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and book overdrafts. However, Book overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

4.12 Earnings per share**i) Basic earnings per share**

a) The profit attributable to owners of the Group

b) By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

ii) Diluted earnings per share

a) The after 'income-tax' effect of interest and other financing costs associated with dilutive potential equity shares, and

b) The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Notes to consolidated financial statement for the year ended March 31, 2023

4.13 Segment Reporting

Based on “Management Approach” as defined in IND AS 108 – Operating Segments, the Management evaluates the Group’s performance and allocates the resources based on an analysis of various performance indicators by business segments. The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated Ind AS financial statements of the Group as a whole.

4.14 Foreign Currency Transactions

In preparing the consolidated Ind AS financial statements of the Group, transactions in foreign currencies, other than the Group’s functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency, are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise except for:

- a) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- b) exchange differences on transactions entered into in order to hedge certain foreign currency risks.

4.15 Fair Value Measurement

The Group measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

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

In the principal market for the asset or liability, or In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

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

Notes to consolidated financial statement for the year ended March 31, 2023

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

4.16 Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Group after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of consolidated Ind AS financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the consolidated Ind AS financial statements.

4.17 Financial Instruments**a) Recognition and initial measurement**

All financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue

b) Classification and subsequent measurement**Financial assets**

On initial recognition, a financial asset is classified as measured at

- i) amortized cost;
- ii) Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- iii) Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the 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 the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

Investments in subsidiary Group:

Investments in subsidiary Group are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary Group, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

Notes to consolidated financial statement for the year ended March 31, 2023**Financial liabilities**

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

c) De-recognition**Financial assets**

The Group de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

Financial liabilities

The Group de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also de-recognizes 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 profit or loss.

d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Notes to consolidated financial statement for the year ended March 31, 2023**4.18 Recent accounting pronouncements which are not yet effective**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023., as below:

Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Group's financial statements.

Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The amendments are not expected to have a material impact on the Group's financial statements.

Notes to Consolidated Financial Statement for the year ended March 31, 2023

Note 5: Property, Plant and Equipment

(Rs. in lakhs)

Particulars	Vehicles	Free Hold Land - Saykha GIDC	Buildings	Plant & Machinery	Office Equipments	Computers	Furniture & Fixtures	Total
Gross Carrying Value as on March 31, 2021	38.04	-	38.78	66.81	0.67	3.57	1.09	148.95
Addition during the year	-	-	-	0.10	-	-	-	0.10
Deduction during the year	-	-	-	(0.21)	-	-	-	(0.21)
Gross Carrying Value as on March 31, 2022	38.04	-	38.78	66.70	0.67	3.57	1.09	148.84
Addition during the year	-	309.51	-	0.14	-	-	-	309.65
Deduction during the year	-	-	-	-	-	-	-	-
Gross Carrying Value as on March 31, 2023	38.04	309.51	38.78	66.84	0.67	3.57	1.09	458.49
Accumulated depreciation as on March 31, 2021	25.85	-	6.19	11.51	0.46	2.99	0.81	47.82
Addition during the year	3.66	-	1.88	8.48	0.01	0.19	0.09	14.31
Deduction during the year	-	-	-	(0.09)	-	-	-	(0.09)
Accumulated depreciation as on March 31, 2022	29.51	-	8.07	19.90	0.47	3.18	0.90	62.04
Addition during the year	2.51	-	1.77	6.95	0.01	0.04	0.07	11.35
Deduction during the year	-	-	-	-	-	-	-	-
Accumulated depreciation as on March 31, 2023	32.02	-	9.84	26.85	0.48	3.22	0.97	73.39
Net Carrying Value as on March 31, 2022	8.53	-	30.70	46.80	0.20	0.38	0.19	86.81
Net Carrying Value as on March 31, 2023	6.02	309.51	28.93	39.99	0.19	0.34	0.12	385.11

Notes to Consolidated Financial Statement for the year ended March 31, 2023

Notes:**5.1. Assets Given as security:**

Refer Note. 18,19 & 22 for disclosure of assets given as security.

5.2. Capitalised borrowing cost:

Borrowing Cost Capitalised on Property, Plant and Equipment during the year ended March 31, 2023 - Rs. Nil/-
(for the year ended March 31, 2022: Rs. Nil/-).

5.3. Contractual obligations:

Refer Note. 37 for disclosure of Contractual Commitments for the acquisition of property, Plant & Equipment.

5.4. All the title deeds for the immovable properties are in the name of the Company.

5.5. The Company has not done revaluation of PPE / Intangible assets.

Note 6 : Capital Work-in-progress

Particulars	Building	Plant & Machinery	Total
As on March 31, 2021	-	-	-
Addition during the year	-	-	-
Deduction during the year	-	-	-
As on March 31, 2022	-	-	-
Addition during the year	-	-	-
Deduction during the year	-	-	-
As on March 31, 2023	-	-	-

Notes to Consolidated Financial Statement for the year ended March 31, 2023

37 Capital Commitment

Details of outstanding capital commitments are as under:

Particulars	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Advance paid against such contracts	-	-
Remaining outstanding commitment	-	-

38 Contingent Liabilities

Details of contingent liabilities are as under:

Particulars	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Outstanding Tax Matters:		
(i) Demand U/s 143(3) r.w.e. 147 of the Income Tax Act for A.Y.2011-12 against which Appeal filled by company and matter is pending before CIT (Appeals).	138.26	138.26
(ii) Demand U/s 143(3) r.w.e. 147 of the Income Tax Act for A.Y.2012-13 against which Appeal filled by company and matter is pending before CIT (Appeals).	102.49	102.49
(iii) Demand U/s 143(3) r.w.e. 147 of the Income Tax Act for A.Y.2013-14 against which Appeal filled by company and matter is pending before CIT (Appeals).	5.10	5.10
(iv) Income Tax Demand Online for A.Y. 2018-19.	0.43	-
(v) TDS Default Demand Online for A.Y. 2020-21	0.02	-

39 Details of Employee Benefits:**(a) Defined Contribution Plans**

As the group does not meet the employees' threshold currently & hence the group is not required to contribute towards any plan under any law for the time being in force. The group shall start contributing as and when it is required by the law.

(b) Defined Benefit Plan - Gratuity:

The group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded.

For the year ended March 31, 2023; the group provides for the Liability for Gratuity to employees determined on the basis of actuarial Valuation based on Projected Unit Credit method.

The following table summarizes the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and the amounts recognized in the Balance Sheet for the plan:

A. Expenses Recognized during the period

Particulars	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
In Income Statement	5.32	4.13
In Other Comprehensive Income	(11.66)	(5.96)
Total Expenses Recognized	(6.34)	(1.83)

Notes to Consolidated Financial Statement for the year ended March 31, 2023

A1. Expenses Recognized in the Income Statement

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Current Service Cost	3.62	2.55
Net Interest Cost	1.70	1.58
Expenses Recognized in the Statement of Profit and Loss	5.32	4.13

B. Net Liability recognized in the balance sheet

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Present Value of Obligation	22.98	29.32
Fair value of plan assets	-	-
Surplus / (Deficit)	22.98	29.32
Net (Liability) recognized in the Balance sheet	(22.98)	(29.32)
Current Liability	2.26	8.90
Non-current Liability	20.72	20.42

B1. Changes in the Present value of Obligation

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Present Value of Obligation as at the beginning	29.32	31.14
Current Service Cost	3.62	2.55
Interest Expense or Cost	1.70	1.59
Re-measurement (or Actuarial) (gain) / loss :	(11.66)	(5.96)
Past Service Cost	-	-
Benefits Paid	-	-
Present Value of Obligation as at the end of the year	22.98	29.32

C. Actuarial Assumptions

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Discount Rate	7.45% p.a.	6.85% p.a.
Expected rate of salary increase	7.00% p.a.	7.00% p.a.
Expected Return on Plan Assets	Not Applicable	Not Applicable
Mortality	Indian Assured Lives Mortality (2012-14) Table	Indian Assured Lives Mortality (2012-14) Table
Retirement Age	60 Years	60 Years

D. Sensitivity Analysis

Particulars	Year Ended March 31, 2023	
	Rs.	
	Decrease	Increase
Discount Rate (- / + 0.5%) (% change compared to base due to sensitivity)	23.1	21.42
Salary Growth Rate (- / + 0.5%) (% change compared to base due to sensitivity)	22.11	22.37
Attrition Rate (W.R. x 90% / W.R. x 110%) (% change compared to base due to sensitivity)	21.96	22.50

Notes to Consolidated Financial Statement for the year ended March 31, 2023

Particulars	Year Ended March 31, 2022	
	Rs.	
	Decrease	Increase
Discount Rate (- / + 0.5%) (% change compared to base due to sensitivity)	30.25	28.44
Salary Growth Rate (- / + 0.5%) (% change compared to base due to sensitivity)	29.15	29.79
Attrition Rate (W.R. x 90% / W.R. x 110%) (% change compared to base due to sensitivity)	29.04	29.58

E. Maturity Profile of Project Benefit Obligation

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Weighted average duration (based on discounted cash flows)	6.82 years	7.08 years

Expected cashout flows over the next (valued on undiscounted basis):	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
1 year	1.52	8.90
2 to 5 years	5.86	5.93
6 to 10 years	17.86	17.04

E. Characteristics of defined benefit plans and risks associated with them:

Valuation of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the group is exposed to various risks in providing the above benefit plans which are as follows:

(i) Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

(ii) Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Notes to Consolidated Financial Statement for the year ended March 31, 2023**(iii) Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

(iv) Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(v) Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

40 Segment Reporting

The Group operates in a single segment and in line with Ind AS - 108 - "Operating Segments", the operation of the Group which is considered to be the only reportable business segment, and therefore, no separate disclosure on segment information is given in these consolidated financial statements.

Notes to Consolidated Financial Statement for the year ended March 31, 2023

41 Fair Value Measurements
Financial instrument by category and their fair value

(Rs. in lakhs)

As at 31st March, 2023	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments - Non Current	-	577.34	658.69	1,236.03	577.34	-	658.69	1,236.03
Loans - Non Current	-	-	50.00	50.00	-	-	50.00	50.00
Other Non Current Financial Assets	-	-	22.61	22.61	-	-	22.61	22.61
Trade Receivables	-	-	3,394.42	3,394.42	-	-	3,394.42	3,394.42
Cash and Cash Equivalents	-	-	10.87	10.87	-	-	10.87	10.87
Other Bank Balances	-	-	121.96	121.96	-	-	121.96	121.96
Total Financial Assets	-	577.34	4,258.55	4,835.89	577.34	-	4,258.55	4,835.89
Financial Liabilities								
Borrowings								
Non Current	-	-	288.00	288.00	-	-	288.00	288.00
Current	-	-	970.73	970.73	-	-	970.73	970.73
Trade Payables	-	-	1,695.70	1,695.70	-	-	1,695.70	1,695.70
Total Financial Liabilities	-	-	2,954.43	2,954.43	-	-	2,954.43	2,954.43

(Rs. in lakhs)

As at 31st March, 2022	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments - Non Current	-	577.34	658.69	1,236.03	577.34	-	658.69	1,236.03
Loans - Non Current	-	-	50.00	50.00	-	-	50.00	50.00
Other Non Current Financial Assets	-	-	22.61	22.61	-	-	22.61	22.61
Trade Receivables	-	-	3,394.42	3,394.42	-	-	3,394.42	3,394.42
Cash and Cash Equivalents	-	-	10.87	10.87	-	-	10.87	10.87
Other Bank Balances	-	-	121.96	121.96	-	-	121.96	121.96
Total Financial Assets	-	577.34	4,258.55	4,835.89	577.34	-	4,258.55	4,835.89
Financial Liabilities								
Borrowings								
Non Current	-	-	91.22	91.22	-	-	91.22	91.22
Current	-	-	970.73	970.73	-	-	970.73	970.73
Trade Payables	-	-	1,695.70	1,695.70	-	-	1,695.70	1,695.70
Total Financial Liabilities	-	-	2,757.65	2,757.65	-	-	2,757.65	2,757.65

The above fair value hierarchy explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost for which fair values are disclosed in the Consolidated Financial Statements. To provide the indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments in to three levels prescribed is as under:

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

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Notes to Consolidated Financial Statement for the year ended March 31, 2023

42 Financial risk management

The Group's activities expose it to a variety of financial risks, including credit risk, market risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

The Group's risk management is governed by policies and approved by the board of directors. The Group identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Group has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

I Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The history of trade receivables shows a negligible provision for bad and doubtful debts. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments. The Group has adopted simplified approach of ECL model for impairment.

i) Trade Receivables:

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Group with various activities as mentioned above manages credit risk. An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The Group does not hold collateral as security.

ii) Financial assets that are neither past due nor impaired

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's assessment of credit risk about particular financial institution. None of the Group's cash equivalents, including term deposits (i.e., certificates of deposit) with banks, were past due or impaired as at each balance sheet date.

II Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The level of liquidity risk is very low considering the fact that the Group relies on operating cash flows and owned equity. Currently the Group has borrowed funds from bank mainly for day to day business needs (i.e. Cash Credit Facilities are being availed by the Group). Long term loans borrowed are mainly for the purpose of vehicles the group has acquired during the current year.

Further the Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring the forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

III Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and commodity risk.

Notes to Consolidated Financial Statement for the year ended March 31, 2023

a) **Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Group's foreign exchange risk arises from its foreign currency purchase of Stock-in-trade, (primarily in USD). A significant portion of the Group's purchases are in foreign currencies, while its revenue are in Indian Rupees. As a result, if the value of the Indian rupee depreciates relative to these foreign currencies, the Group's purchase costs measured in Indian Rupees may increase. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. As of March 31, 2023, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in foreign currency risk.

(Rs. in lakhs)

i) **The following table analyses foreign currency risk from non-derivative financial instruments as at each balance sheet date**

<u>Particulars</u>	Currency	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
Trade Payables	USD	55,800.00	-
	INR	45,81,235.80	-

ii) **Foreign Currency Risk Sensitivity**

The sensitivity of profit or loss due to changes in the exchange rates arises mainly from non-derivative foreign currency denominated financial instruments (mainly financial instruments denominated in USD currency). The same is summarized as below:

<u>Particulars</u>	Impact on Profit before tax			
	As at		As at	
	March 31, 2023		March 31, 2022	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	(2,29,061.79)	2,29,061.79	-	-
Total	(2,29,061.79)	2,29,061.79	-	-

b) **Interest Risk**

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates related primarily to the Group's short-term borrowings with floating interest rates. Group's treasury department monitors the interest rate movement and manages the interest rate risk based on its policies.

Notes to Consolidated Financial Statement for the year ended March 31, 2023

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

i) Exposure to interest rate risk

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Non Current Borrowings	288.00	87.27
Current Borrowings	970.73	912.38
Total	1,258.73	999.65

For details of the Group's Current and Non Current borrowings, including interest rate profiles, Refer to Note 18,19 and 22 of these financial statement.

ii) Interest Rate Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. The below sensitivity does not include the impact of interest rate swap contracts which largely mitigate the risk.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
50bp increase would decrease the profit before tax by	(6.29)	(5.00)
50bp decrease would increase the profit before tax by	6.29	5.00

c) Price Risk

Exposure to market risk with respect to commodity prices primarily arises from the Group's purchases and sales of active chemical and perfume products. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Group's stock generally fluctuate in line with commodity cycles. Purchase Cost of the products and cost of materials consumed form the largest portion of the Group's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2021, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

i) Exposure

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii) Sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Group's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

(Rs. in lakhs)

Impact on Other Comprehensive Income - OCI	Movement in Rate %	As at	As at
		March 31, 2023	March 31, 2022
		Rs.	Rs.
Equity Shares (Quoted)	5%	28.87	26.57
Equity Shares (Quoted)	-5%	(28.87)	(26.57)

Above referred sensitivity pertains to quoted equity investment. Profit for the year would increase/ (decrease) as a result of gains/ losses on equity securities as at fair value through other comprehensive income before net of tax.

Notes to Consolidated Financial Statement for the year ended March 31, 2023

43 Due to Micro, Small and Medium Enterprise

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below:

Particulars	(Rs. in lakhs)	
	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Principal amount remaining unpaid to any supplier as at the year end	-	-
Interest due and remaining unpaid to any supplier as at the end of accounting year	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-
Total	-	-

44 Capital Management:

The Group's capital management is intended to maximise the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Group; and reduce the cost of capital through the optimization of the capital structure i.e. the debt and equity balance.

The Group monitors the capital structure on the basis of gearing ratio and maturity profile of the overall debt portfolio of the Group.

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Debt	1,258.73	999.65
Cash and cash equivalents	10.87	9.60
Net debt	1,247.86	990.05
Equity	3,651.62	3,460.90
Gearing ratio	34.17%	28.61%

45 Details of Payment to Auditors

(Rs. in lakhs)

Particulars	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Payment to auditors:		
Statutory Audit	5.75	5.75
Tax Audit Fees	-	-
Others (Fees for Other Audit Related Services)	-	-
Total	5.75	5.75

Notes to Consolidated Financial Statement for the year ended March 31, 2023

46 Earnings Per Share (EPS)

(Rs. in lakhs except No of Equity Shares)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	Rs.	Rs.
Net Profit for the year attributable to equity shareholders of Holding Company	279.29	252.72
Weighted Average Number of Equity Shares in calculating Basic and Diluted EPS	1,02,43,425	1,02,43,425
Basic and Diluted Earnings Per Share	2.73	2.47
Nominal Value of Equity Shares	10.00	10.00

47 Related Parties Disclosures

(i) List of related parties:

Name of related party

Nature of relationship

Yash Chem	Controlled by Key Managerial Persons
Yashwantlal C. Shah HUF	Controlled by Key Managerial Persons
Pritesh Shah HUF	Controlled by Key Managerial Persons
Yash Corporation	Controlled by Key Managerial Persons - Pritesh Y. Shah (HUF) is a Proprietor
Rishit Ploysurf LLP	Controlled by Key Managerial Persons - Yasons Chemex Care Limited (Designated Partner and Pritesh Y. Shah is a Nominnee)
Pritesh Yashwantbhai Shah	Key Managerial Person (Managing Director)
Yashwantlal C. Shah	Key Managerial Person (Wholtime Director)
Dimple Pritesh Shah	Key Managerial Person (Director)
Jinal Dineshbhai Shah	Key Managerial Person (Independent Director)
Angee Shah	Key Managerial Person (Independent Director)
Kiritkumar Shah	Key Managerial Person (Chief Financial Officer)
Khiloni Sheth	Key Managerial Person (Chief Financial Officer - Up to January 28,2022)
Charmi Shah	Key Managerial Person (Company Secretary upto 12th January, 2023)
Paxal P. Shah	Relative of Key managerial person
Himali Thakkar	Company Secretary of Subsidiary Company (Appointed as on 27th December, 2022)
Smit Shah	Key Managerial Person (Independent Director) of subsidiary Company
vinodkumar	Key Managerial Person (Independent Director) of subsidiary Company
Riddhi Shah	Key Managerial Person (Company Secretary Appointed as on 10th April, 2023)

Notes to Consolidated Financial Statement for the year ended March 31, 2023

(ii) Transactions during the period and balances outstanding with related parties are as under:

Transactions with related parties during the year:

(Rs. in lakhs)

Name of related party	Nature of Transaction	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Yash Chem	Sale of goods	99.35	101.19
	Purchase of goods	543.98	110.72
Yash Corporation	Sale of goods	109.15	-
	Purchase of goods	408.58	-
Rishit Polysurf LLP	Sale of goods	22.88	-
	Purchase of goods	243.04	-
	Loans Received Back	303.41	-
Pritesh Yashwantbhai Shah	Director remuneration	5.00	27.00
Yashwantlal C. Shah	Director remuneration	-	8.50
Dimple Pritesh Shah	Director remuneration	4.00	19.00
Kiritkumar Shah	Key Managerial Person (Chief Financial Officer)	1.01	1.17
Khiloni Sheth	Key Managerial Person (Chief Financial Officer)	-	1.88
Charmi Shah	Key Managerial Person (Company Secretary)	3.48	2.96
Himali Thakkar	Key Managerial Person (Company Secretary)	0.75	-
Jinal Dineshbhai Shah	Director's Sitting Fees	0.40	0.12
Angee Shah	Director's Sitting Fees	0.44	0.25
Rushabh Anilbhai Shah	Director's Sitting Fees	0.60	0.07

Notes to Consolidated Financial Statement for the year ended March 31, 2023

Balances outstanding at each reporting date:

Name of party	Nature of Amount	As at March 31, 2023 Rs.	As at March 31, 2022 Rs.
Angee Shah	Director's Sitting Fees	(0.18)	-
Himali Thakkar	Employees Payables	(0.37)	-
Kiritkumar Shah	Employees Payables	-	(0.14)
Charmi Shah	Employees Payables	-	(0.26)
Yash Chem	Advance to Suppliers / (Trade Payable)	-	188.38

Note: Figures in bracket denotes credit balance.

The Group do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

40

Subsequent Events:

- 50 Subsequent to Balance Sheet Date, there are no events occurred which require disclosure or adjustments in the consolidated financial statements.
- 51 The Group do not have any transactions with companies struck off.
- 52 The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 53 The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 54 The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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

- 55 b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

The Group 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:

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,

Notes to Consolidated Financial Statement for the year ended March 31, 2023

56 Trade receivables Ageing Schedule

a) Undisputed trade receivables

Particulars	As at March 31, 2023		As at March 31, 2022	
	Rs.		Rs.	
	Considered Good	Considered Doubtful	Considered Good	Considered Doubtful
Outstanding for following periods from due date of receipts				
Not Due	-	-	-	-
Less than 6 months	2,233.39	2.57	3,214.81	1.38
6 months - 1 year	442.06	2.40	747.70	0.04
1-2 years	693.39	8.03	34.82	-
2-3 years	25.58	-	-	-
More than 3 Years	-	-	-	-
Total	3,394.42	13.00	3,997.33	1.42

b) Disputed trade receivables

Particulars	As at March 31, 2023		As at March 31, 2022	
	Rs.		Rs.	
	Considered Good	Considered Doubtful	Considered Good	Considered Doubtful
Outstanding for following periods from due date of receipts				
Not Due	-	-	-	-
Less than 6 months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 Years	-	-	-	-
Total	-	-	-	-

57 Trade Payables Ageing Schedule

Particulars	Outstanding as on 31st March 2023 for following periods from due date of payment				Total
	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
	MSME	-	-	-	
Others	1,448.14	128.03	119.53	-	1,695.70
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Particulars	Outstanding as on 31st March 2022 for following periods from due date of payment				Total
	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
	MSME	-	-	-	
Others	1,903.72	115.58	46.61	-	2,065.91
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

YASH CHEMEX LIMITED

58 Ratios					
Sr. No	Ratio	Ratio as on 31st March 2023	Ratio as on 31st March 2022	% Deviation	Reasons for variance of above 25%
1	Current Ratio Current Assets Current Liabilities	1.85	1.70	8.95%	-
2	Debt-to-equity Ratio Total Debt Shareholder's Equity	0.34	0.29	19.34%	-
3	Debt Service Coverage Ratio Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	4.32	2.92	47.90%	Increase was primarily on account of increase current borrowings.
4	Return on Equity Ratio Debt Service = Interest & Lease Payments + Principal Repayments Net Profits after taxes – Preference Dividend (if any) Average Shareholder's Equity	0.11	0.07	53.29%	Increase was on account of increase in Profitability during the year as compared to last year.
5	Inventory Turnover Ratio Sales Average Inventory	7.39	9.13	-19.10%	-
6	Receivables Turnover Ratio Net Credit Sales Avg. Accounts Receivable	2.31	1.76	31.18%	Increase was on account of increase in Credit Sales during the year as compared to last year.
7	Payables Turnover Ratio Net Credit Purchases Average Trade Payables	4.68	4.82	-2.81%	-
8	Net capital turnover Ratio Net Sales Working capital = Current assets – Current liabilities	3.72	4.43	-15.96%	-
9	Net profit ratio Net Profit After Tax Net Sales	0.04	0.03	28.21%	Increase was on account of increase in Profitability during the year as compared to last year.
10	Return on Capital employed Ratio Earning before interest and taxes Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	11.79%	12.01%	-1.87%	-
11	Return on investment Ratio Interest (Finance Income) Average of Bank Deposits	4.15%	6.54%	-36.51%	Decrease was on account of decrease in Average Deposit during the year as compared to last year.

Notes to Consolidated Financial Statement for the year ended March 31, 2023

59 Disclosure of additional information pertaining to the holding , subsidiary companies as per Schedule III of the Companies Act, 2013

As at March 31,2023								
Particulars	Net Assets		Share in Profit or Loss		Share in Other Comprehensive		Share in Total Comprehensive	
	As % of consolidated net assets	Rs. In Lakhs	As % of consolidated profit and (loss)	Rs. In Lakhs	As % of consolidated other comprehensive income	Rs. In Lakhs	As % of consolidated total comprehensive income	Rs. In Lakhs
Indian Holding Yash Chemex Limited	65.67%	2,398.15	10.17%	38.82	99.58%	75.16	24.94%	113.98
Indian Subsidiary Yasons Chemex Care Limited	56.75%	2,072.13	89.83%	342.77	0.42%	0.32	75.06%	343.09
Total	122.42%	3,651.62	100.00%	381.59	100.00%	75.48	100.00%	457.07

As at March 31,2022								
Particulars	Net Assets		Share in Profit or Loss		Share in Other Comprehensive		Share in Total Comprehensive	
	As % of consolidated net assets	Rs. In Lakhs	As % of consolidated profit and (loss)	Rs. In Lakhs	As % of consolidated other comprehensive income	Rs. In Lakhs	As % of consolidated total comprehensive income	Rs. In Lakhs
Indian Holding Yash Chemex Limited	66.00%	2,284.16	42.67%	145.62	100.00%	54.00	50.51%	199.62
Indian Subsidiary Yasons Chemex Care Limited	49.96%	1,729.04	57.33%	195.62	-	-	49.49%	195.62
Total	115.96%	3,460.90	100.00%	341.24	100.00%	54.00	100.00%	395.24

60 Disclosure of Interests in other entities as per Schedule III of the Companies Act, 2013

The subsidiary company of the Group at March 31, 2023 and March 31,2022, are set out below. Unless otherwise stated. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal activity	Place of business country of incorporation	Ownership interest held by the Group		Ownership interest held by the non-controlling interest	
			As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Yasons Chemex Care Limited	Trading of chemicals and manufacturing of dyes and intermediates and FMCG Products like hand sanitizers, hair oil, soap, perfumes, deodorants , etc	India	70.16%	54.75%	29.84%	45.25%

61 Approval of the consolidated Financial Statements:

The Consolidated Financial Statements were approved for issue by the board of directors on May 25,2023.

62 Previous Periods' / Years' figures have been re-grouped / Re-Classified where necessary to make it comparable with the current period.

As per our Report of even date attached.
For, H S K & Co LLP
 Chartered Accountants
 Firm Regd. No.117014W/W100685
UDIN:23115947BGWQBK1295

For, Yash Chemex Limited

SD/-
Pritesh Y. Shah
 Managing Director and CFO
 (DIN: 00239665)

SD/-
Dimple P.Shah
 Director
 (DIN:06914755)

SD/-
Sudhir S. Shah
 Partner
 Membership No. 115947
 Place : Ahmedabad
 Date : May 25,2023

SD/-
Riddhi Shah
 Company Secretary
Membership Number A70953
 Place: Ahmedabad
 Date : May 25,2023

17th Annual General Meeting ATTENDANCE SLIP

1. Name(s) of Member(s) :

Including joint holders, if any

2. Registered address of the Sole/ :

First named Member

3. DP ID No. & Client ID No./ :

Registered Folio No.

4. No. of Shares held :

I hereby record my presence at the 17th Annual General Meeting of the Company being held at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015 on Tuesday, September 26, 2023 at 04:00 P.M.

Signature of the Shareholder/Proxy present

Notes :

1. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip and handover the same duly signed at the entrance of the meeting hall.

2. PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING-

Form No. MGT-11 PROXY FORM

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

CIN:	L74110GJ2006PLC048385
Name of the company:	YASH CHEMEX LIMITED
Registered office:	411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015.

Name of the member(s):
Registered address: Email
Id:
Folio No./Client Id:
DP ID:

I/We, being the member (s) of shares of the above-named company, hereby appoint

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

2.	Name:	
	Address:	

	E-mail Id:	
	Signature:	

3.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 17th Annual general meeting of the company, to be held Tuesday, September 26, 2023 at 04:00 P.M. at the registered office of the Company situated at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
Ordinary Business	
1.	To receive, consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements of the Company for the Financial Year (F.Y.) ended March 31, 2023 and the Reports of the Board of Directors and the Statutory Auditors thereon, including Annexures thereto.
2.	To appoint a director in place Of Mr. Pritesh Y. Shah (DIN:00239665), who retires by rotation and being eligible, offers himself for re-appointment.
Special Business	
3.	To Appoint Mrs. Dimple Pritesh Kumar Shah (DIN: 06914755) as a Whole time Director
4.	To Approve loans, investments, guarantees or security under Section 185 of Companies Act, 2013
5.	To make loans or investments and to give guarantees or to provide security in connection with a loan made under Section 186 of the Companies Act, 2013.

6.	Approval of Related Party Transaction regarding Purchase and Sale with Yasons Chemex Care Limited
7.	Approval of Related Party Transaction with Yash Chem
8.	Approval of Related Party Transaction with Yash Corporation
9.	Approval of Related Party Transaction with Rishit Polysurf LLP
10.	Approval of Related Party Transaction with R. J. CHEM

Signed this..... day of..... 2023.

Signature of shareholder

Signature of Proxy holder(s)

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

Route Map of the Venue for 17th Annual General Meet

