

CHD CHEMICALS LIMITED
CIN NO L24232CH2012PLC034188

Reg Office:SCF 214, Motor Market, Manimajra, Chandigarh-160101
Corp Office: Plot NO 331, Industrial Area, Phase II, Panchkula-134113

08-09-2023

To
Listing department
BSE LIMITED
P.J. Towers, Dalal street
Fort, Mumbai 400001

Scrip Code: 539800

Subject: Intimation of Annual General Meeting

Dear Sir/Madam

We herewith enclose Notice of 11th Annual General Meeting of our company to be held on Saturday 30th September, 2023 at 11.30A.M through video conferencing('VC')/other Audio Visual means(OVAM) facility in compliance with the applicable circular of Ministry of Corporate Affairs and SEBI

As per section 108 of the Companies Act, 2013 read with the rule 20 of the Companies (Management and Administration) Rules, 2014 and the Regulation 44 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2013 the Company is pleased to provide its members facility of 'remote e-voting' (e-voting from a place other than the venue of the AGM) to exercise their right to vote at the 11th AGM.

Date and time of commencement of remote evoting	Sunday, 27 th September, 2023 at 09:00 a.m.
Date and time of end of the remote e-voting	Tuesday, 29 th September, 2023 at 5 P.M
Cut-off date for determining the eligibility to vote electronically or in the AGM	Saturday, 23 rd September, 2023

Notice containing the business to be transacted is attached herewith.

Please take the above on record and acknowledge receipt of the same.

Thanking You
Your's Faithfully

For CHD CHEMICALS LIMITED

Ankit Kothari Digitally signed by Ankit Kothari
Date: 2023.09.08 22:57:51 +05'30'
Ankit Kothari
Director

11th ANNUAL REPORT

CHD CHEMICALS LIMITED

2022-2023

Corporate Information

BOARD OF DIRECTORS

MS. SANTOSH RANI
Mr. ANKIT KOTHARI
Mr. SUBHASH CHANDER
Mr. VIJENDER SINGH
Mr. MAHTAB SINGH

AUDITORS

MR. SIDHARTH GUPTA
CHARTERED ACCOUNTANTS

CHIEF FINANCIAL OFFICER:

SHRIKANT SHARMA

SECRETARIAL AUDITOR

M/s. NEERAJ JINDAL & ASSOCIATES

REGISTERED OFFICE

SCF 214, MOTOR MARKET
MANIMAJRA
CHANDIGARH
PHONE: 0172-5070373
Website: www.chdchemicals.com
CIN No.: L24232CH2012PLC034188

CORPORATE OFFICE:

Plot No 331, Industrial Area
Phase II, Panchkula
Haryana

REGISTRARS & TRANSFER AGENT

CAMEO CORPORATE SERVICES LIMITED
SUBMARAMANIAN BUILDING, NO.1
CLUB HOUSE ROAD
TAMIL NADU, CHENNAI
PHONE: 044 -28460390
E-MAIL: CAMEO@CAMEOINDIA.COM

Book Closure: Date: 24th September , 2023 to 30th September , 2023(both days inclusive).



NOTICE

NOTICE is hereby given that the 10th Annual General Meeting of the Members of **CHD CHEMICALS LIMITED** will be held on **Saturday, 30th September, 2023 at 11.30 A.M.** through video conferencing ('VC') / other audio visual means ('OAVM') facility, to transact the following business:

ORDINARY BUSINESS

Item No 1: Adoption of the Audited Financial Statements as at 31st March, 2023

To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2023, the Audited Statement of Profit and Loss Account for the year ended on that date, together with Reports of Auditors and Directors thereon.

Item No 2: Appointment of Mr Subhash Chander as a Director liable to retire by rotation:

To appoint a director in place of Mr Subhash Chander(Din: 08681546), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL Business

Item no: 3 appointment of Mr Ankit Kothari as Managing Director

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, as amended from time to time and its rules made there under read with Schedule V of the Companies Act 2013 (including any statutory modification(s) or reenactment thereof for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **ANKIT KOTHARI (DIN: 06883692)** be and is hereby appointed as the Managing Director of the Company for a period of five (5) years with effect 22nd december, 2022 to 21st December, 2027 on the terms and conditions of appointment and remuneration as contained in the agreement, material terms of which are set out hereunder and here by approved by members of the

Company on recommendation and approval by the Nomination & Remuneration Committee and Board of Directors of the Company."

RESOLVED FURTHER THAT pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI[LODR]"), consent of members of the Company be and is hereby accorded for continuance of payment of remuneration of Rs 50,000/- p.m for three years from 22nd December, 2022 TO 21st DECEMBER, 2027 to Executive Director of the Company notwithstanding that maybe in excess of 5 per cent of the net profits of the Company as calculated under section 198 of the Act, in any financial year during his tenure of appointment.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, Ms Ankit Kothari, Managing Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the prescribed ceiling limit under Section II(A)of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company".

Item no: 4 Regularization of Appointment of Director – Mahtab Singh

To Consider and if thought fit to pass with or without modifications the following resolution as Ordinary Resolution:-

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per the regulation of SEBI(LODR) Regulation 2015 and other applicable Law, Mr. Mahtab Singh (DIN: 10294514), who was appointed as Additional Director on 6th September, 2023 and in respect of whom the Company has received a notice in writing from a



member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

5. Appointment of Mrs. Santosh Rani (DIN 09155303) as a Non-Executive, Independent Director of the Company:

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

"RESOLVED THAT Mrs. Santosh Rani (DIN 09155303), who was appointed as an Additional Independent Director of the Company with effect from 6th September, 2023, by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office as such up to this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ("the Act") and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable regulations of the Securities and Exchange Board of India

(Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of Mrs. Santosh Rani (DIN 09155303), who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and who is eligible for appointment, as a Non Executive, Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from 6th September, 2023, up to 5th September, 2028, be and is hereby approved.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mrs. Santosh Rani shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.

**By Order of the Board of Directors
For CHD CHEMICALS LIMITED.**

SD/-
Ankit Kothari
Managing
Director
06883692

Place: Panchkula
Dated: 6th September, 2023

ITEM NO: 3

Mr Ankit Kothari has been appointed as Managing Director on 22.12.2022 for a period of Five Years by the board of the Company. Further, seeing the Probability of having inadequate Profits for the financial year ending 31.03.2022. The board of Directors in its meeting held on 22.12.2022 taking an extra precautionary Step decided subject to the Approval of Members for the remuneration to be paid as minimum remuneration. The Approval is to be taken under Section II, Table A of Schedule V to Companies Act, 2013.

The same require approval of the members by way of special resolution. So your board proposes the above resolution for your approval, further the above remuneration is maximum for a period of three years.

As per Section 197 of the Companies Act, 2013, total managerial remuneration payable by the Company to its directors, including managing director and whole-time director and its manager in respect of any financial year may be given to maximum permissible limit as per the provisions laid down in Section 198 of the Companies Act, 2013, provided that the same has been approved by the shareholders of the Company by way of Ordinary Resolution/Special Resolution.

Accordingly, the Board recommends the resolution set out at item no. 3 for approval of members as Special Resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Ankit Kothari in any way concerned or interested, in the said resolution.

The Particulars of the information, pursuant to the provisions of Schedule V, Part II, Section II, clause (A) of the Act are as under:

Mr Ankit Kothari has been appointed as Managing Director with effect from 22.12.2022 for a period of Five Years by the board of the Company .

Mr Ankit Kothari, Managing Director, is the member of promoter group. Considering the valuable contribution, commitment, guidance and services being rendered by Mr ankit Kothari for the sustained growth of the Company, it is proposed to seek members' approval for the appointment and continuance of payment of remuneration to Mr Ankit Kothari, Managing Director of the Company.

Mr Ankit Kothari , Managing Director satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his ppointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given her consent to act as a Managing Director and She has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad. Other disclosures to be provided in terms of Sections 196 to 198 read with Schedule V and applicable Rules under the Companies Act and SEBI Regulations, as the case may be are provided in Annexure -I to the Notice.

The information as required under schedule V to the Companies Act, 2013 is as under:-

I.GENERAL INFORMATION:

(1)Nature of Industry- Chemicals Industry
Company Main Object pursued by the company

:
 The company is doing business of trading in high quality chemicals & dyes for textiles industry.

(2)Date of commencement of commercial operation-

The Company started its business back in 2013.

(3) Details of new company:

In case of new companies, expected date of commencement of activities as per project

approved by financial institutions appearing in the prospectus - **N.A.**

4) Financial Performance based on given indicators:

(i) Financials (Amount in RS. Lakhs)

Financial Parameters	2019-20	2020-21	2021-22	2022-23
Turnover	8651.02	6922.92	3153.71	1907.30
Net Profit	72.45	10.47	23.19	8.70
Net profit as per profit And loss Account	72.45	10.47	23.19	8.70
Tax	19.60	4.92	6.79	2.15
Profit After Tax	52.85	5.55	16.40	6.55
Equity Share Capital	1010.90	1010.90	1010.90	1010.90

(ii) **Export performance and net foreign exchange collaborations – NIL**

(5) Foreign investments or collaborators, if any – NIL

II. INFORMATION ABOUT THE APPOINTEE:

(1) Back Ground Details :

Mr Ankit Kothari was appointed as a Director of the Company with effect from 26th November, 2020

The Board of Directors at their meeting held on 22nd December, 2022 considered and decided to appoint Mr Ankit Kothari as Managing Director of the company with increased role and responsibility by elevating her as the Managing Director of the company. The term of his appointment as Managing Director for a period of 5 years from 22nd December, 2022

He is well versed in all aspects of Marketing, Finance and Administration. he has contributed well towards the growth of our Company and under his guidance the turnover of our Company has increased manifold.

(2) Past remuneration: NIL

(3) Recognition or awards: NIL

(4) Job profile and his suitability–

Subject to the superintendence, direction and control of the board, the day to day management and administration of the Company is vested in the Managing Director.

(5) Remuneration proposed–

As set out in the resolution .The remuneration to Managing Director has the approval of the Nomination & Remuneration Committee.

(6) Comparative remuneration profile with respect to industry, size of the company, Profile of the position and person-

Company is engaged in the trading and distribution of high quality chemicals and dyes for textiles industry, leather and paper industries. For the growth and success of the company, knowledge and skills to understand and project the market trend, consumer behavior, consumption pattern and many relevant indicators for better product mix. It also requires expertise for appropriate fund allocation, optimum utilization of various resources in the business. Ms. Divya Kothari has successfully proved their expertise in very effective manner and drove the Company towards the growth over the period of time. Hence, the Board of Directors considers that the remuneration proposed to them are justified commensurate with other organizations of the similar type, size and nature.

(7) Remuneration proposed: Rs 1,50,000/-

(8) Pecuniary relationship directly or indirectly with the company, or relationship with Managerial personnel , if any –

Besides, the remuneration proposed and holding 986636 shares of the company Ms Divya Kothari



does not have any other pecuniary relationship with the Company.

III. Other information:

Following are the main points relevant to inadequate profit:-

(1) Reason of inadequate profit:-

The chemicals industry captures a wide variety of companies that serves to provide products and services that keep the everyday consumer engaged. Chemicals market is highly competitive and fragmented, and we face competition from leading Chemicals and Dyes industries, that are expanding their traditional offerings. Some of our competitors may have greater financial, marketing, sales and other resources than we have and with the increase of price of products during the year under review also affects the profitability of the company.

(2) Preventive action taken by the company:-

The future plans of our company are in line with the way industry is thinking and planning ahead. Our company is trying to increase the geographical areas of operations to cater to the growing market. Company is planning to expand the scale of operations as well as growing our supply chain network, which will provide attractive opportunities to grow our client base and revenues.

(3) Expected Increase in Productivity and Profits in measurable terms:

Company has experienced management team with established processes. Company management team has a long term vision and has proven its ability to achieve long term growth of the company. Promoters have sufficient experience in chemicals and dyes sector. Company records helped to build strong relationships over number of year with the customers as well as with the suppliers. Company strives to add value by incorporating excellent trade practices in order to optimize better returns. Management intend to maintain a spread of different types of trade in which company is involved in as this provide a strategy for growth as well as mitigating the risk of focusing on only a certain type of trade and ensures stability of our revenue stream.

Interest:

None of the Directors, KMP and their relatives except Ms. Divya Kothari herself as Managing Director and Share Holder Holding 986636 Shares , Mr. Ankit Kothari, Brother of Ms. Divya Kothari, additional Director on the board and holder of 666997 shares in the Company and Mrs. Kitabwati Kothari, Mother of Ms. Diva Kothari, Share Holder in the Company holding 75000 shares.

Item No : 4

Mr. Mahtab Singh (DIN: 10294514) on the recommendation of Nomination and Remuneration Committee was appointed as Additional Director with effect from 6th September, 2023 by the Board in accordance with the Article of Association and section 161 of Companies Act, 2013("Act"). As per the Section 161 of the Act. Mr. Mahtab Singh (DIN: 10294514), holds the office upto the date of ensuing annual General meeting . the company has received the requisite notice in writing under Section 160 of the Act from a member proposing the candidature of Mr. Mahtab Singh to be appointed as Non executive director at the ensuing Annual General Meeting liable to retire by rotation . Mr. Mahtab Singh has consented to the proposed appointment and declared qualified.

Mr. Mahtab Singh possess the requisite knowledge, experience and skill for the position of director. The Board on the receipt of said notice form the member and on the recommendation of nomination and remuneration committee and subject to the approval of members in the ensuing AGM has accorded its consent to appoint Mr. Mahtab Singh as non executive director liable to retire by rotation .

Except Mr. Mahtab Singh, no other director, Key managerial Personnel of the company and their relative thereof are interested or concerned financial or otherwise in the proposed resolution.

Item no 5

Appointment of Mrs. Santosh Rani (DIN 09155303) as a Non-Executive, Independent Director of the Company

Based on the recommendation of the Nomination and Remuneration Committee



(NRC), the Board of Directors at its meeting held on 6th September, 2023, appointed Mrs. Santosh Rani as an Independent Director, not liable to retire by rotation, for a term of five years i.e. from 6th September, 2023, up to 5th September, 2028 subject to the approval of the Members.

The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidature for the office of Director. The profile and specific areas of expertise of Mrs. Santosh rani are provided as Annexure to this Notice.

Mrs. Santosh Rani has given her declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and is not restrained from acting as a Director under any order passed by the Securities and Exchange Board of India or any such authority and is eligible to be appointed as a Director in terms of Section 164 of the Act.

She has also given her consent to act as a Director. In the opinion of the Board, Mrs. Santosh Rani is a person of integrity, possesses the relevant expertise/experience, and fulfills the conditions specified in the Act and the

Listing Regulations for appointment as an Independent Director and he is independent of the management. In terms of Regulation 25(8) of Listing Regulations, Mrs. Santosh Rani has confirmed that she is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. Given her experience, the Board considers it desirable and in the interest of the Company to have Mrs. Santosh Rani on the Board of the Company and accordingly the Board recommends the appointment of Mrs. Santosh Rani as an Independent Director as proposed in the Resolution no. 5 for approval by the Members as a Special Resolution.

Except for Mrs Santosh Rani and/or her relatives, no other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice

Annexure-A

Details of Directors seeking appointment/re-appointment at the 21st Annual General Meeting to be held on November 30, 2021 [Pursuant to Regulation 36(3) and 26(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of Director	Ankit KOTHari
DIN No	06883692
Age	28
Date of Births	08-08-1995
Qualification	Graduate
Date of Appointment	22-12-2022
Term of Appointment	Five years with effect from the date of appointment
Brief Profile	3years of experience in Marketing and administration and human resources
Board Membership of other Listed Company	NA
Disclosure of relationship between directors	Mr Ankit Kothari is not related to any Director. But he is a relative of a promoter.
Chairmanship/membership of the Committee of other public limited company	NA
No of Equity Share held in co	NIL

Name of Director	MAHTAB SINGH
DIN No	10294514
Age	61
Date of Birth	01-01-1962
Date of Appointment	06.09.2023
Term of Appointment	NA
Qualification	5th Standard pass
Brief Profile	Mahtab Singh 25 years of experience in farming.
Board Membership of other Listed Company	Nil
Disclosure of relationship between directors	Mr Mahtab Singh is not related to any Director of the Company.
Chairmanship/membership of the Committee of other public limited company	NA
No of Equity Share held in co	NIL



Name of Director	Santosh Rani
DIN No	09155303
Age	37
Date of Births	08-07-1986
Qualification	5th Standard pass
Date of Appointment	06.09.2023
Term of Appointment	Five years with effect from the date of appointment
Brief Profile	Mrs Santosh Rani 35 years was working in private organisation as Executive Accounts and Finance. She is also having an experience of 5 years in sales and Marketing.
Board Membership of other Listed Company	One
Disclosure of relationship between directors	Mrs Santosh Rani is not related to any Director of the Company.
Chairmanship/membership of the Committee of other public limited company	NA
No of Equity Share held in co	NIL



NOTES

In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') issued General Circular Nos.14/2020, 17/2020, 20/2020,02/2021, 21/2021 and 2/2022 dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 14, 2021 and May 05, 2022 respectively (collectively referred to as "MCA Circulars") permitted the holding of AGM's by Companies, through Video Conferencing / Other Audio-Visual facility (VC/OAVM), up to December 31, 2022 without the physical presence of the Members at a common venue. The Securities and Exchange Board of India ('SEBI') also issued Circular Nos . SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022 (collectively referred to as "SEBI Circulars"). In compliance with MCA Circulars, SEBI Circulars, provisions of the Act and the SEBI Listing Regulations, the AGM of the Company is being conducted through VC/OAVM Facility, which does not require the physical presence of members. The deemed venue for the AGM shall be the Registered Office of the Company

The facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

2. Members attending the AGM through VC / OAVM shall be counted to reckon the quorum under Section 103 of the Act.

3. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located at SCF 214 Motor Market, Manimajra, Chandigarh which shall be the deemed venue of AGM.

4. Mr. Neeraj Jindal, has been appointed as the Scrutinizer to scrutinize the remote e-voting/e-voting process in a fair and transparent manner. The Scrutinizer will submit the report to the Chairman or any person authorised by him after completion of the scrutiny and the results of voting will be announced after the AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM

5. In compliance with the Circulars, copies of Annual Report for Financial Year 2022-23, the Notice of the AGM and instructions for remote e-voting/ e-voting are being sent in electronic mode to those Shareholders whose email addresses are registered with Registrar/ Depository Participant(s). The copy of Annual Report along with the Notice is also available on Company's website at www.chdchemicals.com and on website of the Stock Exchange at www.bseindia.com

6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.

8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

9. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

10. Members whose email addresses / Bank details are not registered/updated are requested to register/ update by contacting their respective Depository Participant(s).

11. As required under Listing Regulations and Secretarial Standards-2 on General Meetings details in respect of directors seeking reappointment at the AGM, is separately annexed. Directors seeking re-appointment have furnished requisite declarations under section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.

12. The Register of Members of the Company shall remain closed from the Saturday, 24th September, 2023 to Friday, 30th September, 2023(both days inclusive).

13. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the



Management to keep the information ready at the meeting.

14. At the Fifth AGM held on September 29, 2017 the members approved appointment of R K Deepak & Co, Chartered Accountants (Firm Registration No. 003145N) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the AGM to be held in 2022, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the twenty-fourth AGM.

15. The cut-off date for the purpose of remote e-voting and voting at the AGM shall be Saturday, 22nd September, 2023.

16. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company.

17. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his request to the Company at least 7 days prior to the Meeting so that the required information can be made available at the Meeting.

Instructions for attending the AGM through VC/OAVM:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and



Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.chdchemicals.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

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

- Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
 - Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on 27th September, 2023 at 9:00 Am and ends 29th September, 2023 at 5:00 PM During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd 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 and joining virtual meetings 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.

	<p>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>
<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.nsdl.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 or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
<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 or joining virtual meeting & voting during the meeting.</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 e-Voting and joining virtual meetings 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)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.
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- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> 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; _____ (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.



9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending AGM & 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 toll free no. 1800 22 55 33.

22.The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.chdhchemicals.com and on website of CDSL e-Voting www.evotingindia.com within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited, where the shares of the Company are listed.

For CHD CHEMICALS LIMITED.
By Order of the Board of Directors

SD/-
Ankit Kothari
MANAGING DIRECTOR
DIN – 06883692

Place: Panchkula
Dated: 6th September, 2023



DIRECTORS' REPORT

Dear Members,

Your Directors take great pleasure in presenting the 11th Annual Report of **CHD CHEMICALS LIMITED** the "Company" on business and operations of the Company along with the audited financial statements of accounts for the financial year ended 31st March 2023.

1. FINANCIAL SUMMARY

The Company's financial performance, for the year ended March 31, 2023 is summarized below:

The Board's Report shall be prepared based on the stand alone financial statements of the company.

Amount in Lacs.

Particulars	2022-23	2021-22
Total Income	1907.30	3153.70
Total Expenditure	1903.80	3133.46
Earnings before Finance Cost, Depreciation & Amortization and Tax	67.99	85.73
Less: Finance Cost	37.44	46.64
Less: Depreciation & Amortization	21.85	15.89
Profit before tax	8.70	23.19
Provision for Tax/ (Deferred tax)	2.15	6.79
Comprehensive Income	6.55	16.41

2. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

- The company is engaged in the business of trading of chemicals and dyes.
- The Total revenue for the Current year is Rs. 1907.30 lacs in comparison to Last year's revenue i.e. Rs. 3153.70 Lacs
- The Profit in the Current year is Rs.6.55 lacs in comparison to Rs. 16.41 Lacs last year's.

During the year under review, there has been no change in the nature of the business of the Company. Further, there were no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

3. MATERIAL CHANGES AND COMMITMENTS

No material changes have occurred between Balance Sheet date and the date on which the financial statement are approved by the Board of Directors.

5. TRANSFER TO GENERAL RESERVES IN TERMS OF SECTION 134(3) (J) OF THE COMPANIES ACT, 2013

No amount has been transferred to the general reserve during the year under review.

6. SHARE CAPITAL

During the Financial Year 2022-23,

Company increased its Share Capital on following occasions:

(i) Authorized Share Capital

No Change in the Authorized capital of the company during the year under review.

(ii) Paid up Share Capital:

No change in the paid up share capital of the company during the year

(iii) ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any shares with differential rights during the year under review. Hence the provisions of Section 43 of the Companies Act, 2013 are not applicable.

(iv) ISSUE OF SWEAT EQUITY SHARE

The Company has not issued any sweat equity shares during the year under review. Hence the provisions of Section 54 of the Companies Act, 2013 are not applicable.

7. DEPOSITS

DETAILS RELATING TO DEPOSITS COVERED UNDER CHAPTER V OF THE ACT

A	Accepted during the year	:	NIL
B	Remained unpaid or unclaimed as at the end of the year	:	
C	whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so (default), number of such cases	:	



	and the total amount involved		
	i. at the beginning of the year	:	
	ii. maximum during the year	:	
	iii. at the end of the year	:	

DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE ACT

During the Financial Year under review, the Company has not accepted any deposit under Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rule, 2014 as amended from time to time which are not in compliance with the requirements of Chapter V of the Act.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

Mrs Santosh Rani joined as Non Executive Director of the company from 22nd December, 2022 and Mrs Divya Kothari resigned from the directorship w.e.f 16th December, 2022

Mr Ankit Kothari has been appointed as Managing Director of the company w. e. f 22nd December, 2022

In accordance with Section 152 and other applicable provisions of Companies Act, 2013, Mr Subhash Chander (DIN No 08681546), being Non-Executive Director, retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. The Board recommends his appointment.

KEY MANAGERIAL PERSONNEL

Mr Shrikant Sharma joined as CFO from 30th august, 2022.

BOARD COMMITTEES

Details of Board committees and term of reference is provided in the “**Annexure V**” corporate Governance report of the company.

9. BOARD MEETINGS

The details of the Number of Meetings of the Board held during the financial year 2022-23 form part of the Corporate Governance. There were 7 meetings held during the year

10. DECLARATION BY INDEPENDENT DIRECTORS

Mr. Vijender Singh and Mr Mahtab Singh, Independent Directors of the Company have given their respective declaration as required under Section 149(7) of the Companies Act, 2013 to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and that they abide by the provisions specified in Schedule IV to the Companies Act, 2013. The Board has, taken on record the declarations received from Mr. Mr. Vijender Singh and Mr Mahtab Singh.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date;
- c) The Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a 'going concern' basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

12. CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 are not applicable.



13. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis, therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted.

Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large.

Your Directors draw attention of the members to in the Accounting Policies to the Financial Statement which sets out related party disclosures as prescribed under Accounting Standard 18.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in "Annexure - 1" Form AOC-2 and the same forms part of this report.

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

In accordance with Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee has formulated Remuneration Policy ("the policy"). The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a director.

15. STATUTORY AUDITORS

In the Annual General Meeting held for financial year 2022-22 Members approved appointment of D S P & Associates, Chartered Accountants (Firm Registration No. 006791N) as Statutory Auditors of the Company to hold office for from the financial year 2021-2022

16. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE

AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualification, reservation or adverse remark made by the statutory Auditor in their report.

There are some matter of emphasis given by the auditor board of director took the note of the esame.

Secretarial Auditor in his Secretarial made the following qualifications

a) Since 2017-18 Company did not File Charge with Registrar of Company for a Vehicle Purchased worth Rs 5,43,000 form Mahindra & Mahindra Financial Services Limited secured by the Hypothecation of the vehicle purchased.

(b) Since 2017-18 company did not File Charge with Registrar of Company for a Vehicle Purchased worth Rs 25,00,000 from ICICI Bank Limited secured by the Hypothecation of the vehicle purchased.

(c) The company had intimated about its board meeting on 14.08.2022 on 09.08.2022 in violation of Regulation 29(2)/29(3).

(d) There were certain instance wherein the Company have delayed in filing the returns / disclosures with Registrar of Companies and the Company has paid additional fees for the same.

Boad Comments: in regard to point a and b company didn't received the loan documents from the financial institution so was not able to file the form.

In regard to point c there was one day of delay in intimating to BSE regarding the Board meeting for considering the quarter result and we have paid the fine to BSE on time also.

With regard to point d company is taking proper precautions to file the forms on time.

17. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED



Company has not granted any loans and made investments, or given guarantees or provided securities to other bodies corporate under the provisions of Section 186 the Companies Act, 2013.

18. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March, 2023 made under the provisions of Section 92 (3) of the Act in Form MGT -9 is annexed herewith as **Annexure II**.

19. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF) during the financial year 2022-23.

20. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

21. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS PURSUANT TO RULE 8 (5) (viii) OF COMPANIES (ACCOUNTS) RULES, 2014

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company has a strong monitoring and reporting process resulting in financial discipline and accountability.

22. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to Section 197(12) read with Rule, 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the "**Annexure-IV**" of the Annual Report.

The Company has not appointed any employee(s) in receipt of remuneration

exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

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

The Company has duly set up an Internal Complaints Committee (ICC) in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment. The following is a summary of sexual harassment complaints received and disposed off during the year 2022-23.

No of complaints received : Nil
No of complaints disposed off: Nil

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure "III"**

25. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations.

Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

26. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has established a vigil mechanism, through a Whistle Blower Policy, where Directors and employees can voice their genuine concerns or grievances about any unethical or unacceptable business practice. A whistle-blowing mechanism not only helps the Company in detection of fraud, but is also used as a corporate governance tool leading to prevention and deterrence of misconduct. It provides direct access to the employees of the



Company to approach the CFO of the company or the Chairman of the Audit Committee, where necessary. The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment or victimization.

27. SECRETARIAL AUDIT REPORT

The Company has appointed Neeraj Jindal & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014. The Report of the Secretarial Auditor is annexed to the Board's Report as Annexure 'A'.

28. BOARD EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had adopted a formal mechanism for evaluating its own performance and as well as that of its Committees and individual Directors, including the Chairperson of the Board.

29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the SEBI (LORD) 2015, is presented in **Annexure VI** and the same is for the part of this report.

30. BUSINESS RESPONSIBILITY REPORT (BRR)

The Board of Directors of the Company hereby confirms that, according to the provisions of Regulation 34(2)(f) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015, the give report on Business Responsibility Report (BRR) is not mandatorily applicable to our company, hence not annexed with Annual Report.

31. DISCLOSURE IN RESPECT OF SCHEME FORMULATED UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013

Since the Company has not formulated any scheme in terms of Section 67(3) of the Companies Act, 2013, therefore no disclosures are required to be made.

32. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

There has been no subsidiary/Associate/Joint Venture incorporated/ceased of your company during the financial year 2020-21

33. DISCLOSURES PURSUANT TO SECTION 197(14) OF THE COMPANIES ACT, 2013:

No disclosure under section 197(14) of the Companies Act, 2013 is required. Company has no Holding or Subsidiary company as on 31st March, 2023

34. Dividend

No dividend has been declared by the company during the financial year 2022-23

34. SHARES IN SUSPENSE ACCOUNT

There are no shares lying in suspense account

35. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed there under.

36. STATEMENT OF DEVIATION OR VARIATION

Pursuant to Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, there is no deviation or variation in the use of proceeds

37. OTHER DISCLOSURES

a. There was no revision of financial statements and Board's Report of the Company during the year under review

b. There has been no change in the nature of business of the Company as on the date of this report

c. No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

d. The requirement to disclose the details of the difference between the amount of valuation done at the time of onetime settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

38. ACKNOWLEDGEMENT

The Board of Directors acknowledges with gratitude the co-operation and assistance provided to your company by its bankers, financial institutions, government and other agencies. Your Directors thank the customers, vendors and other business associates for their continued support in the company's growth.

**For and on behalf of Board of
Directors**

SD/-

**Vijender Singh
Director
DIN – 07339155**

**Place: Panchkula
Dated: 6th September, 2023**



CHD CHEMICALS LIMITED

SD/-

**Ankit kOthari
Managing Director
DIN -06883692**

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 Personnel) Rules, 2014]*

To,

The Members,
The CHD CHEMICAL LIMITED.
R/o: 214 MOTOR MARKET MANIMAJRA, CHANDIGARH.
C/o: PLOT NO 331, INDUSTRIAL AREA,
PHASE II, Panchkula, HR. - 134113.

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by "**CHD CHEMICAL LIMITED**" (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent and subject to the reporting made hereinafter:

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management including Key Managerial Personnel's (KMP) and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon.

We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2023, according to the provisions of:

- (i) The Companies Act, 2013 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 Bye-laws framed there under (to the extent applicable to the Company);

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under restricted to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;

(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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2021 (Not applicable to the company);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021 (Not applicable to the company);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client ;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the company); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the company);

(vi) As we have been given to understand that considering activities, there is no specific regulator subject to whose approval company can carry on / continue business operation. We have also in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws (in addition to the above mentioned Laws (i to v) as applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for

compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

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

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India as applicable on date.
- (ii) (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange (BSE).

Except to our observations made at the end of the report.

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has substantially complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observation(s):

a) Since 2017-18 Company did not File Charge with Registrar of Company for a Vehicle Purchased worth Rs 5,43,000 from Mahindra & Mahindra Financial Services Limited secured by the Hypothecation of the vehicle purchased.

(b) Since 2017-18 company did not File Charge with Registrar of Company for a Vehicle Purchased worth Rs 25,00,000 from ICICI Bank Limited secured by the Hypothecation of the vehicle purchased.

(c) The company had intimated about its board meeting on 14.08.2022 on 09.08.2022 in violation of Regulation 29(2)/29(3).

(d) There were certain instance wherein the Company have delayed in filing the returns / disclosures with Registrar of Companies and the Company has paid additional fees for the same.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

We also report that adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a reasonable system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



Majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, the Company has not undertaken any major event / action having a material bearing on the Company's statutory compliance and affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Note:

1. We have relied on the financial statements as approved by the Board of Directors and submitted to the Statutory Auditors and we have also relied on the report of Statutory Auditors.
2. This Report is to be read along with attached Letter provided as "Annexure - A"

**For Neeraj Jindal & Associates
Company Secretaries**

**Date: 01.09.2023
Place: Mohali.**

**Sd/-
CS. Neeraj Jindal
M.No. F8270
CP. No. 9056
UDIN: F008270E000904946**

'ANNEXURE A'**To****The Members,****The CHD CHEMICAL LIMITED.
PLOT NO 45, FIRST FLOOR INDUSTRIAL AREA,
PHASE I, CHANDIGARH – 160001.****Sub: Our Report of even date is to be read along with this letter.**

Dear Sir / Madam,

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and we rely on Auditors Independent Assessment on the same.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Neeraj Jindal & Associates
Company Secretaries
Sd/-**

**Date: 01.09.2023
Place: Mohali.**

**CS. Neeraj Jindal
M.No. F8270
CP. No. 9056
UDIN: F008270E000904946**

**FORM NO. AOC -2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NOT REQUIRED AS THERE ARE NO TRANSACTIONS FALLING UNDER THIS SECTION
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

FOR CHD CHEMICALS LIMITED

Vijender Singh
Director
DIN – 07339155

Ankit kOthari
Managing Director
DIN -06883692

Annexure II

DIRECTORS' REPORT (CONTD) ANNEXURE II TO DIRECTORS' REPORT

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31st, 2023

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

Sl. No.	Particulars	Details
1.	Corporate Identification Number	L24232CH2012PLC034188
2.	Registration Date	05-11-2012.
3	Name of the Company	CHD CHEMICALS LIMITED
4	Category / Sub-Category of the Company	PUBLIC COMPANY LIMITED BY SHARES
5	Address of the Registered office and contact details	SCF 214, MOTOR MARKET, MANIMAJRA CHANDIGARH CONTACT:- 0172-5070373
5	Address of the Corporate office	PLOT NO 331, INDUSTRIAL AREA, PHASE II, PANCHKULA, HARYANA
6	Whether listed company	YES
7.	Name, Address and contract details of the Registrar and Transfer Agent, if any	CAMEO CORPORATE SERVICES LIMITED SUBRAMANIAN BUILDING, NO.1 CLUB HOUSE ROAD TAMIL NADU, CHENNAI PHONE: 044 -28460390

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated.

As per Attachment A

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

As per Attachment B

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)

- | | |
|---|---------------------|
| i) Category-wise Share Holding | As per Attachment C |
| ii) Shareholding of Promoters | As per Attachment D |
| iii) Change in Promoters' Shareholding (<i>Specify if there is no change</i>) | As per Attachment E |
| iv) Shareholding Pattern of top ten Shareholders (other than Directors, and Promoters and holders of GDRs and ADRs) | As per Attachment F |
| v) Shareholding of Directors and Key Managerial Personnel | As per Attachment G |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

As per Attachment H

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager **As per attachment I**
 B. Remuneration to other directors **As per Attachment J**
 C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD **As per Attachment K**
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES **As per Attachment L**

ATTACHMENT A
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are given below:

Sl. No.	Name and Description of main products/services	NIC Code of the product/service *	% to total turnover of the company #
1.	Whole sale of Industrial Chemicals	5149	100%

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

On the basis of Gross Turnover

ATTACHMENT B
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary /Associate	% of Shares held*	Applicable Section
			NIL			

ATTACHMENT C
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	986636	0	986636	9.76%	1653613	0	1653613	16.35%	+6.59%
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s).	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB - TOTAL (A) (1)	986636	0	986636	9.76%	1653613	0	1653613	16.35%	+6.5%
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB - TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
TOTAL SHAREHOLDING OF PROMOTER (A) = (A)(1)+ (A)(2)	986636	0	986636	9.76%	1653613	0	1653613	9.76%	+16.34%
B PUBLIC SHAREHOLDING									
1 Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	20131	0	20131	0.19%	20131	0	20131	0.19%	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00

f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others specify MARKET MAKER	0	0	0	0.00	0	0	0	0.00	0.00
SUB - TOTAL (B) (1)	20131	0	20131	0.19%	20131	0	20131	0.19%	0.00
2. Non-institutions									
a) Bodies Corporate									
i) Indian	1129601	0	1129601	11.17%	1156213	0	1156213	11.43%	+0.26%
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
I) Individual shareholders holding nominal share capital up to Rs. 1 lakh	5465124	7	5465131	54.06%	5235799	7	5235806	52.78%	-1.27%
II) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2202387	40954	2243341	22.19%	1727154	40954	1768108	17.49%	-4.6%
c) Others specify									
HUF	127024	35909	162922	1.61%%	172741	35909	208650	2.06%	+0.45%
NRI	57279	0	57279	0.56%	66450	0	66450	0.65%	+0.09%
Clearing Members	44028	0	44028	0.43%	109	0	109	0.001%	-0.42%
SUB - TOTAL (B) (2)	9025443	76863	9102313	90.04%	8358466	76863	8435329	83.44%	-6.59%
TOTAL PUBLIC SHAREHOLDING (B) = (B)(1) + (B)(2)	9045574	0	9122444	90.24%	8378597	0	8455467	83.64%	-0.93%
C. SHARES HELD BY CUSTODIAN FOR GDRS& ADRS	0	0	0	0	0	0	0	0	0
GRANDTOTAL (A+B+C) 1	10032210	76870	10109080	100%	10032210	76870	10109080	100%	NA

ATTACHMENT D
(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2022)			Shareholding at the end of the year (As on 31-03-2023)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1.	Divya Kothari	986636	9.76%	0	1653613	616.35%		
	Total	986636	9.76%	0	1653613	16.35%		

ATTACHMENT E
(iii) Change in Promoters' Shareholding

Sl. No.	Name	Shareholding at the beginning of the year (As on 01-04-2022)/ at the end of the year 31.03.2023		Date	Increase / Decrease in Promoters Shareholding	Reason	Cumulative Shareholding at the beginning of the year (As on 01-04-2022)/ at the end of the year 31.03.2023	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	Divya Kothari	986636	9.76%	08-07-2022	+561059	Purchase	1547695	15.31%
		986636	9.76%	15-07-2022	+105918	Prchase	1653613	6.35%

ATTACHMENT F
iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
SI No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	SENTHILKUMAR MOHANAPRIYA				
	At the beginning of the year 01-Apr-2022	121907	1.2059	121907	1.2059
	At the end of the Year 31-Mar-2023	121907	1.2059	121907	1.2059
2	VIKRAM SINGH AND SONS HUF . (HUF)				
	At the beginning of the year 01-Apr-2022	51530	0.5097	51530	0.5097
	At the end of the Year 31-Mar-2023	51530	0.5097	51530	0.5097
3	KANUMURI MURALI KRISHNA CHOUDHURY				
	At the beginning of the year 01-Apr-2022	51460	0.5090	51460	0.5090
	At the end of the Year 31-Mar-2023	51460	0.5090	51460	0.5090
4	AAPURTI FINANCE LIMITED				
	At the beginning of the year 01-Apr-2022	50000	0.4946	50000	0.4946
	At the end of the Year 31-Mar-2023	50000	0.4946	50000	0.4946
5	RAKESH JIYALAL DESHAWARE				
	At the beginning of the year 01-Apr-2022	50000	0.4946	50000	0.4946
	Sale 09-Dec-2022	-5000	0.0494	45000	0.4451
	Purchase 23-Dec-2022	1770	0.0175	46770	0.4626
	Purchase 30-Dec-2022	168	0.0016	46938	0.4643
	At the end of the Year 31-Mar-2023	46938	0.4643	46938	0.4643
6	VIVEK BADESRA				

	At the beginning of the year 01-Apr-2022	40954	0.4051	40954	0.4051
	At the end of the Year 31-Mar-2023	40954	0.4051	40954	0.4051
7	MD NAZRUL ISLAM				
	At the beginning of the year 01-Apr-2022	40001	0.3956	40001	0.3956
	Purchase 08-Apr-2022	5000	0.0494	45001	0.4451
	Purchase 17-Jun-2022	5000	0.0494	50001	0.4946
	Purchase 24-Jun-2022	5000	0.0494	55001	0.5440
	Purchase 01-Jul-2022	10000	0.0989	65001	0.6429
	Purchase 08-Jul-2022	500	0.0049	65501	0.6479
	Purchase 15-Jul-2022	500	0.0049	66001	0.6528
	Purchase 26-Aug-2022	200	0.0019	66201	0.6548
	Purchase 23-Sep-2022	4000	0.0395	70201	0.6944
	Purchase 13-Jan-2023	100	0.0009	70301	0.6954
	At the end of the Year 31-Mar-2023	70301	0.6954	70301	0.6954
8	BAPANAPALLI DHEERAJ KUMAR REDDY				
	At the beginning of the year 01-Apr-2022	39976	0.3954	39976	0.3954
	Purchase 08-Apr-2022	738	0.0073	40714	0.4027
	Sale 15-Apr-2022	-342	0.0033	40372	0.3993
	Sale 22-Apr-2022	-45	0.0004	40327	0.3989
	Sale 30-Jun-2022	-1327	0.0131	39000	0.3857
	Purchase 08-Jul-2022	500	0.0049	39500	0.3907
	Purchase 15-Jul-2022	500	0.0049	40000	0.3956
	Purchase 22-Jul-2022	1000	0.0098	41000	0.4055
	Purchase 05-Aug-2022	820	0.0081	41820	0.4136
	Purchase 14-Oct-2022	180	0.0017	42000	0.4154
	Purchase 21-Oct-2022	1000	0.0098	43000	0.4253
	Purchase 28-Oct-2022	976	0.0096	43976	0.4350
	Purchase 04-Nov-2022	1024	0.0101	45000	0.4451
	Purchase 10-Mar-2023	1089	0.0107	46089	0.4559
	At the end of the Year 31-Mar-2023	46089	0.4559	46089	0.4559

9	SUBRAMANAYAM ITTA				
	At the beginning of the year 01-Apr-2022	39901	0.3947	39901	0.3947
	At the end of the Year 31-Mar-2023	39901	0.3947	39901	0.3947
10	PALANISAMY SARAVANAN				
	At the beginning of the year 01-Apr-2022	39288	0.3886	39288	0.3886
	Purchase 01-Apr-2022	317	0.0031	39605	0.3917
	Purchase 08-Apr-2022	2	0.0000	39607	0.3917
	Purchase 15-Apr-2022	2	0.0000	39609	0.3918
	Purchase 22-Apr-2022	31	0.0003	39640	0.3921
	Purchase 29-Apr-2022	22	0.0002	39662	0.3923
	Purchase 06-May-2022	4057	0.0401	43719	0.4324
	Purchase 13-May-2022	14	0.0001	43733	0.4326
	Purchase 20-May-2022	1536	0.0151	45269	0.4478
	Purchase 27-May-2022	1020	0.0100	46289	0.4578
	Purchase 03-Jun-2022	36	0.0003	46325	0.4582
	Purchase 10-Jun-2022	20	0.0001	46345	0.4584
	Purchase 17-Jun-2022	16	0.0001	46361	0.4586
	Purchase 24-Jun-2022	22	0.0002	46383	0.4588
	Purchase 30-Jun-2022	2	0.0000	46385	0.4588
	Purchase 01-Jul-2022	6	0.0000	46391	0.4589
	Purchase 08-Jul-2022	12	0.0001	46403	0.4590
	Purchase 15-Jul-2022	18	0.0001	46421	0.4592
	Purchase 22-Jul-2022	8	0.0000	46429	0.4592
	Purchase 29-Jul-2022	6	0.0000	46435	0.4593
	Purchase 05-Aug-2022	10	0.0000	46445	0.4594
	Purchase 12-Aug-2022	2	0.0000	46447	0.4594
	Purchase 19-Aug-2022	8	0.0000	46455	0.4595
	Purchase 26-Aug-2022	6	0.0000	46461	0.4595
	Purchase 09-Sep-2022	6	0.0000	46467	0.4596
	Purchase 16-Sep-2022	6	0.0000	46473	0.4597

	Purchase 23-Sep-2022	4	0.0000	46477	0.4597
	Purchase 30-Sep-2022	6	0.0000	46483	0.4598
	Purchase 07-Oct-2022	2	0.0000	46485	0.4598
	Purchase 14-Oct-2022	12	0.0001	46497	0.4599
	Purchase 21-Oct-2022	8	0.0000	46505	0.4600
	Sale 28-Oct-2022	-15772	0.1560	30733	0.3040
	Purchase 04-Nov-2022	18	0.0001	30751	0.3041
	Purchase 11-Nov-2022	20	0.0001	30771	0.3043
	Purchase 18-Nov-2022	10	0.0000	30781	0.3044
	Purchase 25-Nov-2022	16	0.0001	30797	0.3046
	Sale 02-Dec-2022	-7635	0.0755	23162	0.2291
	Sale 09-Dec-2022	-2994	0.0296	20168	0.1995
	Purchase 16-Dec-2022	20	0.0001	20188	0.1997
	Sale 23-Dec-2022	-19092	0.1888	1096	0.0108
	At the end of the Year 31-Mar-2023	1096	0.0108	1096	0.0108
	TOP 10 AS ON (31-Mar-2023)				
11	AKSHAY AGGARWAL				
	At the beginning of the year 01-Apr-2022	0	0.0000	0	0.0000
	Purchase 16-Dec-2022	4500	0.0445	4500	0.0445
	Purchase 23-Dec-2022	13271	0.1312	17771	0.1757
	Purchase 30-Dec-2022	5479	0.0541	23250	0.2299
	Purchase 06-Jan-2023	1612	0.0159	24862	0.2459
	Purchase 13-Jan-2023	3149	0.0311	28011	0.2770
	Purchase 20-Jan-2023	3989	0.0394	32000	0.3165
	Purchase 27-Jan-2023	4442	0.0439	36442	0.3604
	Purchase 03-Feb-2023	5208	0.0515	41650	0.4120
	Purchase 10-Feb-2023	4590	0.0454	46240	0.4574
	Purchase 17-Feb-2023	3760	0.0371	50000	0.4946
	Purchase 24-Feb-2023	794	0.0078	50794	0.5024
	Purchase 03-Mar-2023	1000	0.0098	51794	0.5123
	Purchase 10-Mar-2023	2000	0.0197	53794	0.5321



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	Purchase 17-Mar-2023	500	0.0049	54294	0.5370
	Purchase 24-Mar-2023	608	0.0060	54902	0.5430
	Purchase 31-Mar-2023	3000	0.0296	57902	0.5727
	At the end of the Year 31-Mar-2023	57902	0.5727	57902	0.5727

DIRECTORS' REPORT (CONTD)
ATTACHMENT G
v) Shareholding of Directors and Key Managerial Personnel

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
SI No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
2	DIVYA KOTHARI*				
	At the beginning of the year 01-Apr-2022	986636	9.7598	986636	9.7598
	At the end of the Year 31-Mar-2023	986636	9.7598	986636	9.7598
	HAVING SAME PAN				
2	DIVYA KOTHARI				
	At the beginning of the year 01-Apr-2022	0	0.0000	0	0.0000
	Purchase 08-Jul-2022	561059	5.5500	561059	5.5500
	Purchase 15-Jul-2022	105918	1.0477	666977	6.5978
	At the end of the Year 31-Mar-2023	666977	6.5978	666977	6.5978
3	ANKIT KOTHARI				
	At the beginning of the year 01-Apr-2022	627181	6.2041	627181	6.2041
	Sale 17-Jun-2022	-32008	0.3166	595173	5.8875
	Sale 24-Jun-2022	-39114	0.3869	556059	5.5005
	Purchase 30-Jun-2022	5000	0.0494	561059	5.5500

	Sale 08-Jul-2022	-561059	5.5500	0	0.0000
	At the end of the Year 31-Mar-2023	0	0.0000	0	0.0000
	HAVING SAME PAN				
3	ANKIT KOTHARI				
	At the beginning of the year 01-Apr-2022	39796	0.3936	39796	0.3936
	Purchase 30-Jun-2022	66122	0.6540	105918	1.0477
	Sale 15-Jul-2022	-105918	1.0477	0	0.0000
	At the end of the Year 31-Mar-2023	0	0.0000	0	0.0000

•
Divya Kothari resigned from the directorship with effect from 16th december 2022

V. INDEBTENDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment

	<i>Amount (lacs)</i>			
	Secured Loans excluding Deposits	unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2022)				
i) Principal Amount	364.72	1576.91	0.00	1941.63
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
TOTAL (i+ii+iii)	364.72	1576.91	0.00	1941.63
Change in Indebtedness during the financial year				
Addition	0.00	0.00	0.00	00.00
Reduction	71.1	983.70	0.00	1054.80
Net Change				
Indebtedness at the end of the financial year (31.03.2023)				
i) Principal Amount	293.62	593.21	0.00	886.83
ii) Interest due but not paid -	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
TOTAL (i+ii+iii)	293.62	593.21	0.00	886.83

ATTACHMENT I
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount in Rs.
		DIVYA KOTHARI MANAGING DIRECTOR	Anki Kothari		
1.	Gross salary	872580	166129		1038709
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961				
	(b) Value of perquisite u/s 17(2) of the Income Tax 1961	0			0
	(c) Profits in lieu of Salary under Section 17(3) of the Income-tax Act, 1961	0			0
2.	Stock Option	0			0
3.	Sweat Equity	0			0
4.	Commission - as % of profit - as others, specify	0			0
5	Others, please specify	0			0
	TOTAL (A)	872580	166129		1038709
	Ceiling as per the Act	(Remuneration as per the provisions of Section II, Table A of Schedule V of the Companies Act, 2013 approved by members)			

Divya Kothari resigned from 16th December, 2022 and Mr Ankit Kothari appointed as Managing Director w.e.f 22nd December, 2022

ATTACHMENT J
B. Remuneration to other Directors: NIL

Sl. No.	Particulars of Remuneration	Name of Directors			
		Subhash Chander	Shashi Singla	Vijender Singh	(Amt. in Rs.) Total Amount
1.	Independent Directors				
	Fee for attending board / committee meetings	0.00	0.00	0.00	0.00
	Commission	0.00	0.00	0.00	0.00
	Others, please specify	0.00	0.00	0.00	0.00
	TOTAL (1)	0.00	0.00	0.00	0.00
2.	Other Non-Executive Directors				
	Fee for attending board / committee meetings	0.00	0.00	0.00	0.00
	Commission	0.00	0.00	0.00	0.00
	Others, please specify	0.00	0.00	0.00	0.00
	TOTAL (2)	0.00	0.00	0.00	0.00
	TOTAL (B)=(1+2)		0.00		
	TOTAL MANAGERIAL REMUNERATION*		0.00		
	Overall Ceiling as per the Act				

* Total remuneration to Managing Director, Whole-Time Directors and other Directors (being the total of A and B).

ATTACHMENT K
C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration	COMPANY SECRETARY KARTIK BHATIA)		Amount in Rs. Total Amount
1.	Gross salary	264000		264000
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			
	(b) Value of perquisites u/s 17 (2) of the Income Tax Act, 1961			
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others			
5.	Others – please specify Bonus Ex Gratia Incentive			
	Total	264000		264000

ATTACHMENT L
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty /punishment /compounding fees imposed	Authority (RD/ NCLT/ COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		
B. DIRECTORS					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		
C. OTHER OFFICERS IN DEFAULT					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		

Annexure "III" to Directors' Report for the year ended 31st March, 2022**Particulars required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014****[A] CONSERVATION OF ENERGY:**

(a) Energy Conservation Measures Taken:

Energy utilisation is primarily for domestic use and assembly activities which is optimised and further steps are being taken by management to emphasise on conservation of energy with all employees.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy: **NIL**

(c) Impact of the measures at (a) & (b) above for reduction of energy consumption & consequent impact on the cost of production of goods: **NIL**

(d) Steps taken by company to use alternate source of energy, if any: **NIL**

(e) Capital investment on energy conservation equipments: **NIL**

(f) Power and Fuel Consumption: **N.A**

	Current Year	Previous Year
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Electricity:

Purchased Unit (million)		
Total Amount (Rs.million)		
Rate/Unit		

Furnace Oil:

Purchased Unit (million)		
Qty (Kilo Ltrs)		
Total Amount (Rs. Millions)		
Rate/Unit		

[B] TECHNOLOGY ABSORPTION: (N.A)**[C] RESEARCH & DEVELOPMENT: (N.A)**

a. Specific areas in which R & D was carried out by the Company: **(N.A)**

b. Benefits derived as a result of the above R & D: **(N.A)**

<u>Expenditure on R&D:</u> (N.A)	Current Year (Rs. Lakhs)	Previous Year (Rs.Lakhs)
--	---	---

- a) Capital
b) Recurring
c) Total
d) Total as % of Turnover Rate/Unit

(D) FOREIGN EXCHANGE EARNINGS AND OUTGO: NIL

Details of earnings in foreign exchange: nil

Particulars	Current Year 01.04.21- 31.03.22	Previous Year 01.04.20- 31.03.21
Export of Goods calculated on FOB Basis		
Interest and dividend		
Royalty		
Know-how	NIL	NIL
Professional and Consultancy fees		
Other Income		
Total earning in foreign exchange		

Details of expenditure in foreign exchange: nil

Particulars	Current Year 01.04.21- 31.03.22	Previous Year 01.04.20- 31.03.21
Import of Capital Goods calculated on CIF Basis:		
(i) raw material		
(ii) component and spare parts		
(iii) capital goods – Software Purchase		
Expenditure on account of:	NIL	NIL
Royalty		
Know-how		
Professional and Consultancy fees		
Interest		
Other matters		
Dividend paid		
Total expenditure in foreign exchange		

“ANNEXURE-IV”
DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION
197(12) OF THE COMPANIES ACT 2013

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(1) Ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year;

S.No	Name of Directors	Remuneration	% Increase in Remuneration	Ratio of remuneration of each Director/ to Median remuneration of employees
1	Divya Kothari (Managing Director)*	872580	NA	2.14543:5000
2	Subhash Chander (Director)	NIL	NIL	NIL
3	Ankit Kothari (Director)	NIL	NIL	NIL
4	Vijender Singh (Independent Director)	NIL	NIL	NIL
5	Bajrang Lal Kedia (Independent Director)	NIL	NIL	NIL
6	Shashi Singla (Independent Director)	NIL	NIL	NIL

(2) The median remuneration of employees of the Company during the financial year was Rs. 3,30,000/-

(3) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

S.No	Name of Directors	Designation	Remuneration	% Increase in Remuneration
1.	Divya Kothari	Managing Director	872580	RESIGNED WITH EFFECT FROM 16TH DECEMBER, 2022
2.	Shrikant Sharma	CFO	NIL	Joined during the year itself
3.	Kartik Bhatik	Company Secretary	264000	No change

(4) The number of permanent employees on the rolls of company as on 31st March, 2023 was 11.

(5) Relationship between average increase in remuneration and company performance:

Profit Before Tax decrease by 166.55% and Profit After Tax decreased by 150.38% in the financial year 2022-23, compared to profit in previous financial year. The average decrease of 63.33% in the median remuneration of the comparable employees during the financial year. During the year there was no change in the remuneration of the employees. But managing director resigned from the directorship and one of the employee getting higher remuneration also resigned during the financial year under review. So the median remuneration has been decrease.

(6) The percentage increase in median remuneration of employees in the financial year:

Median remuneration of employees during the financial year 2022-2023 360000 was as compared to 5,39,000 previous financial year. Change of no of employees has Decrease the average remuneration of the employees. The payment of managerial remuneration was as per the remuneration approved by the shareholders of the

Company and within the limit specified under the Companies Act 2013.

(7) Variations in the market capitalization of the Company:

(a) The market capitalization as on March 31, 2023 was Rs. 459.96 Lacs .

(b) Price Earnings ratio of the Company was 49.38 as at March 31, 2022 and as on March 31, 2023 it was 75.83

Closing date of Financial Year	Issued Capital (shares)	Closing Market Price Per Shares	EPS	PE Ratio	Mrket Capitalization (Rs Lacs)
31.03.2022	10109080	7.9	0.16	49.38	798.62
31.03.2023	10109080	4.55	0.06	75.83	459.96
Increase/Decrease	0.00	-3.35	-0.1	26.45	338.66
% Increase/Decrease	0.00	-0.73%	-1.67%	-34.88%	-73.6%

(8) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

The total remuneration of Key 11.36 Lakhs . where as the Profit Before Tax decrease by 166.55% and Profit After Tax decreased by 150.38% in the financial year 2022-23.

(9) Comparison of average percentile increase in the salaries of employees other than the managerial personnel and managerial personnel:

There was no change in salary of he employees during the year under review and the salary of MD increased during the financial year but she also resigned during the year under review so overall median remuneration decreased

(10) Comparison of each remuneration of key Managerial Personnel against the performance of the company:

S.no	Name of KMP	Remuneration	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Divya Kothari	872580	There was a change in th eremuneration of managing director from Rs 50000 to rs 150000 in the AGM held for the financial year 2021-22 but she has resigned also on 16 th December, 2022
2.	Shrikant Sharma	-	
3.	Kartik Bhatia	264000	

(11) The key parameters for the variable component of remuneration availed by the directors :

There is no variable component of remuneration availed by the directors of the company. Directors of the company received fixed remuneration during the year under review.

(12) Ratio of Remuneration of the highest paid director to that of employees who are not director but receive remuneration in excess of the highest paid director during the year: None

(13) Remuneration is as per the remuneration policy of the company.

ANNEXURE V CORPORATE GOVERNANCE

Our company stands committed to good corporate governance practices based on the principle such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting.

The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under Law.

Our corporate governance philosophy is based on the following principles:

- ❖ Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.
- ❖ Be transparent and maintain a high degree of disclosure levels. When in doubt, disclose.
- ❖ Make a clear distinction between personal conveniences and corporate resources.
- ❖ Communicate externally, in a truthful manner, about how the Company is run internally.
- ❖ Have a simple and transparent corporate structure driven solely by business needs.
- ❖ The Management is the trustee of the shareholders' capital and not the owner.

The Company believes that corporate governance is about creating organizations that succeed in the marketplace with the right approach and values. This will enhance the value for all its stakeholders.

(1) BOARD OF DIRECTORS

COMPOSITION OF THE BOARD

- A) The Board of Directors of the Company (Board) has optimum combination of Executive and Non Executive Directors

The following is the Composition of the Board as at 31st March, 2023:

Category	Name of the Directors	Designation	No of Shares held
Promoter/director	Divya Kothari	Managing Director	1653613
	Ankit Kothari	Director	NIL
	Subhash Chander	Director	NIL
Independent Director	Shashi Singla	Director	NIL
	Vijender Singh	Director	NIL

(b) NO. OF BOARD MEETING HELD AND DATES

1	30.05.2023
2	14-08-2022
3	30-08-2022
4	02-09-2022
5	14-11-2022
6	22-12-2022

7	14-02-2022
---	------------

The details of directors and their attendance record at the Board Meeting held during the Year under review are as follows:

S.No	Name of Directors	Category	Attendance Of Board Meetings	Attended last AGM	No. Of Other Directorship / Committees Membership / Chairmanship		
					O.D	C.M	C.C
1.	DIVYA KOTHARI	MANAGING DIRECTOR	4	Yes	1	-	-
2.	Ankit Kothari	NON EXECUTIVE DIRECTOR	6	Yes	1	-	-
3.	Subhash Chander	NON EXECUTIVE DIRECTOR	4	Yes	NA	--	-
4.	Santosh Rani	NON EXECUTIVE DIRECTOR	2	NO	1	--	-
5.	VIJENDER SINGH	NON EXECUTIVE INDEPENDENT DIRECTOR	7	Yes	NA	-	-
6.	SHASHI SINGLA	NON-EXECUTIVE INDEPENDENT DIRECTOR	7	NA	NA	-	-

(O.D.) Directorship in other Company

(C.M.) Committee Membership

(C.C.) Committee Chairmanship

(2) COMMITTEES OF THE BOARD

The Board of Directors has constituted 3 Committees of the Board viz.

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholder Relationship Committee

AUDIT COMMITTEE

The Audit Committee of the Company comprises of 3 directors out of which one is Executive Director and two are Non Executive Independent Director.

Composition: Meetings and attendance during the year.

S.NO	Name of Directors	Designation	Number of Meetings During The year	
			Held	Attended
1	MR. VIJENDER SINGH	CHAIRMAN	7	7
2	MR. Ankit Kothari*	MEMBER	7	2
3	MS. DIVYA KOTHARI*	MEMBER	7	5
4	MR SHASHI SINGLA**	MEMBER	7	7

- Mrs Divya Kothari Resigned from 16th December, 2022 and mr nakit Kothari joined the Committee with effect from 22nd December, 2022
-

The dates on which the meetings were held are as follows:

1	30-05-2022
2	14-08-2022
3	30-08-2022
4	02-09-2022
5	14-11-2022
6	22-12-2022
7	14-02-2023

ROLE OF AUDIT COMMITTEE

The terms of reference of the Audit Committee are given below:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
6. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's 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.

- b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
 10. 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 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.
 11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 12. Review and monitor the auditor's independence and performance, and effectiveness of audit process
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the 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 any significant findings and follow up there on.
 15. Reviewing the findings of any internal investigations by the internal auditors into 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. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 21. Mandatorily reviews the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;

- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee

22. Review the Financial Statements of its subsidiary company, if any.
23. Review the composition of the Board of Directors of its Subsidiary Company, if any.
24. Review the Vigil mechanism (whistle blowing) policy.
25. Examination of the financial statement and the auditors' report thereon;
26. Approval or any subsequent modification of transactions of the company with related parties;
27. Scrutiny of inter-corporate loans and investments;
28. Valuation of undertakings or assets of the company, wherever it is necessary;
29. Evaluation of internal financial controls and risk management systems;
30. Monitoring the end use of funds raised through public offers and related matters.
31. Review the use/application of funds raised through an issue (public issues, right issues, preferential issues etc) on a quarterly basis as a part of the quarterly declaration of financial results. Further, review on annual basis statements prepared by the Company for funds utilized for purposes other than those stated in the offer document.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year ended on 31st March, 2022, the composition of Stakeholders relationship Committee / Investors Grievance committee has been as under:

S.NO	Name of Directors	Designation	Number of Meetings During The year	
			Held	Attended
1	MR. VIJENDER SINGH	CHAIRMAN	6	6
2	MR. Santosh rani*	MEMBER	6	2
3	MR. Ankit Kothari *	MEMBER	6	4
4	MR SHASHI SINGLA**	MEMBER	6	6

- *Mr Ankit Kothari resigned from committee member w.e.f. 22nd December, 2022 and Mrs Santosh Rani Joined the committee from 22nd December, 2022

During the year under review Stakeholders relationship Committee / Investors Grievance committee meeting was held one time during the year. The necessary quorum was preset in the meeting. The dates of meetings are as follow:

S.NO	Date
1	08-04-2022
2	30-05-2022
3	30-08-2022
4	11-10-2022
5	22-12-2022
6	14-02-2023

ROLE OF STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee of our Board look into:

- The redressal of investors complaints viz. non-receipt of annual report, dividend payments etc.
- Matters related to share transfer, issue of duplicate share certificate, dematerializations.
- Also delegates powers to the executives of our Company to process transfers etc.

NAME AND DESIGNATION OF COMPLIANCE OFFICER:

The Board has appointed Ms. Harsimran Jit Kaur , being Company Secretary, as Compliance Officer of the Company pursuant to Listing Regulations.

NO. OF SHAREHOLDERS COMPLAINTS RECEIVED AND NOT RESOLVED TO THE SATISFACTION OF THE SHAREHOLDERS:

The total number of complaints received and resolved to the satisfaction of Shareholders during the year under review were as under :

No. of complaints outstanding as on 31-03-2022 - Nil

No. of complaints received during the year under review - Nil

No. of complaints disposed off during the year under review - Nil

No. of complaints outstanding as on 31-03-2023 - Nil

The Company interacts with Cameo Corporate Services Limited, Registrar & Transfer Agent and takes effective steps/actions for resolving queries/complaints of the shareholders.

NOMINATION AND REMUNERATION COMMITTEE

The committee currently comprises of three (3) Directors. Mr. Vijender Singh is the Chairman of the Nomination and Remuneration Committee.

During the year under review Stakeholders relationship Committee / Investors Grievance committee meeting was held four times during the year. The necessary quorum was preset in the meeting. The dates of meetings are as follow:

S.NO	Date
------	------

1	08-04-2022
2	30-05-2022
3	30-08-2022
4	11-10-2022
5	22-12-2022
6	14-02-2023

During the year ended on 31st March, 2022, the composition of Nomination and Remuneration Committee has been as under:.

S.NO	Name of Directors	Designation	Number of Meetings During The year	
			Held	Attended
1	MR. VIJENDER SINGH	CHAIRMAN	6	6
2	MRs Santosh Rani*	MEMBER	6	2
3	MR. Ankit Kothari*	MEMBER	6	4
4	MR SHASHI SINGLA	MEMBER	6	6

*Mr Ankit Kothari resigned from committee member w.e.f. 22nd December, 2022 and Mrs Santosh Rani Joined the committee from 22nd December, 2022

The terms of reference of the nomination and remuneration committee are as follows:

- The remuneration committee recommends to the board the compensation terms of the executive directors.
- The committee to carry out evolution of every director's performance and recommend to the board his/her appointment and removal based on the performance.
- The committee to identify persons who may be appointed in senior management in accordance with the criteria laid down.
- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment.
- Considering approving and recommending to the Board the changes in designation and increase in salary of the executive directors.

- Ensuring the remuneration policy is good enough to attract, retain and motivate directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of the Company and the shareholders.

(3) INDEPENDENT DIRECTOR MEETINGS

(a) Performance evaluation criteria for independent directors.

- Evaluation of the performance of the Non – Independent Directors and Board of Directors as a whole;
- Evaluation of the performance of the Chairperson of the Company, taking into account the views of the Executive and Non –Executive Directors;
- Evaluation of the quality, content and timeline of flow of information between the management and the board that is necessary for the board to effectively and reasonably perform its duties.

(b) Composition

- Mr. Shashi Singla
- Mr. Vijender Singh

(4) GENERAL BODY MEETINGS

(a) Details of Annual General Meetings (AGMs)

YEAR	VENUE	DATE	TIME
2017	Hotel Solitaire, Chandigarh	29 th September, 2017	11.00 A.M
2018	Hotel Solitaire, Chandigarh	29 th September, 2018	11.30 A.M
2019	Hotel Solitaire, Chandigarh	30 th September, 2019	11.30 A.M
2020	Registered Office	30 th December, 2020	11.30 A.M
2021	Video Conferencing	30 th September, 2021	12.00 P.M
2022	Video Conferencing	30 th September, 2022	11.30 P.M

(b) Details of Special Resolutions passed in previous Annual General Meetings:

DATE OF AGM	NUMBER OF SPECIAL RESOLUTION PASSED	DETAILS OF SPECIAL RESOLUTION PASSED
30 TH SEPTEMBER, 2015	Two	1. Conversion of the company to Public company 2. Alteration of the Articles of Association of the company pursuant to conversion into public company
30 TH SEPTEMBER, 2016	One	3. Appointment of Ms Divya Kothari as Managing Director

(5) GENERAL INFORMATION TO SHARE HOLDERS

i. ANNUAL GENERAL MEETING:

Remote E-voting for Annual General Meeting

To allow the shareholders to vote on the resolutions proposed at the AGM, the Company has arranged remote e-voting facility. The Company has engaged CDSL to provide e-voting facility to all the members. Members whose name will appear on the register of members as on Saturday, 30th day of September, 2023 shall be eligible to participate in the e-voting.

Date	Time	Venue
30 th September, 2023	11.30 A.M	Video conferencing

ii. FINANCIAL CALANDER

Financial Year	April 1, 2022 to March 31, 2023
Book Closure	The Register of Members of the Company shall remain closed from the, Sunday, 24 th September, 2023 to Saturday, 30 th September, 2023 (both days inclusive).

iii DEMATERIALIZATION OF SHARES AND LIQUIDITY:

As on March 31, 2023 99.24% of the Company's shares were held in dematerialized form and the remaining 0.76 % in physical form. The break up is listed below:

Category	No Of Shares Held	Shareholding(%)
PHYSICAL	76870	0.76%
ELECTRONIC IN NSDL	3242853	32.08%
ELECTRONIC IN CDSL	6789357	67.16%
	10109080	100%

iv DISTRIBUTION OF SHAREHOLDINGS

SHARE OR DEBENTURE HOLDINGS				
Shares	Number	% of total	Shares	% of total
1-100	3984	43.96%	167589	1.65%
101-500	2688	29.66%	767018	7.58%
501-1000	1113	12.28%	933641	9.23%
1001-2000	595	6.56%	904378	8.94%
2001-3000	221	2.43%	571564	5.6%
3001-4000	123	1.35%	431869	4.27%
4001-5000	91	1.00%	427688	4.23%
5001-10000	156	1.72%	1177406	11.64%
10001- and above	91	1.00%	472792	46.76%
Total	9062	100%	10109080	100

v CATEGORIES OF SHAREHOLDING:

Categories	No of shares held	Percentage of shareholding
PROMOTER	1653613	16.35%
BODY CORPORATE	1156213	11.43%
RESIDENT	7252826	71.74%
NRI	66450	00.65%
CLEARING MEMBER	109	0.001%
Bank	20131	0.19%
TOTAL	10109080	100%

vi STOCK CODE AND ROC CODE

BSE CODE: 539800

ISIN No.: INE043U01010

The Company is registered in the Union Territory of Chandigarh, India

Having Corporate Identity Number (CIN) is: L24232CH2012PLC034188

VII DISCLOSURES

1. Related Party Transaction

The company has no material significant transaction with its related parties which may have potential conflict with the interest of the Company at large. The details of the transaction with the company and related parties are given for information under notes to the Accounts

2. Statutory compliances, penalties and structures:

The company has complied with the statutory compliances and there was penalty of Rs 11800/- for intimation of board meeting for less days as required under the SEBI(LODR), regulation, 2015 for quarterly results company has paid the required fee.. there was no other penalty by the Stock Exchange or Securities Exchange Board of India, any other statutory authority on any matter related to the capital market during the last year.

3. Whistle blower Policy

Pursuant to section 177(9) and (10) of Companies Act, 2013 and Regulation 22 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated Whistle Blower Policy/Vigil Mechanism for Directors and Employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available at company website www.chdchemicals.com

4. Disclosure of Accounting Treatment In the preparation of the Financial Statement

The Company has followed the Indian Accounting Standards referred to in section 133 of the Companies Act, 2013. The Significant Accounting Policies which are consistently applied are set out in the Notes to the Financial Statements.

5. Non-mandatory requirements

Adoption of Non-mandatory requirements of Listing Regulations is being reviewed by the Board from time-to-time.

6. Risk Management:

Business risk evaluation and management is ongoing process within the Company. The Assessment is periodically examined by the Board.

7. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of number of complaints filed and disposed of during the year and pending as on March 31, 2023 is given in the Director's Report.

8. Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year.: - Not Applicable

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

The Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. The Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and sub regulation (2) of Regulation 46 of the Listing Regulations.

With effect from Thursday, 27th August, 2019, the equity shares of CHD CHEMICALS LIMITED which were already listed under BSE SME Platform migrated & admitted to dealings on the Main board Platform of BSE

ix REGISTRAR AND SHARE TRANSFER AGENT

CAMEO CORPORATE SERVICES LIMITED

SUBRAMANIAN BUILDING, NO.1
CLUB HOUSE ROAD
TAMIL NADU, CHENNAI
PHONE: 044 -28460390
E-MAIL: cameo@cameoindia.com

x REGISTERED OFFICE

SCF 214, MOTOR MARKET
MANIMAJRA, CHANDIGARH-160101
PHONE: 0172-5070373
Website: www.chdchemicals.com
CIN No.: L24232CH2012PLC034188

XI CORPORATE ADDRESS

PLOT NO 331, INDUSTRIAL AREA
PHASE II, PANCHKULA-134113

XII MEANS OF COMMUNICATION

The Company's half yearly and yearly financial results were taken on record and approved by the Board of Directors after reviewed by Audit Committee and submitted to the Stock Exchange in terms of the requirements of Listing Regulations. These were uploaded on the web-site of the Company.

In pursuance of Regulation 33 (3) read with Schedule V of Listing Regulations, the Company is maintaining its website www.chdchemicals.com contains basic information about the company e.g. details of its business, financial information, shareholding pattern, etc. The company also agrees to ensure that the contents of the said website are updated at any given point of time.

The Company's Annual Report is also available in down loadable form. The Company has total 9306 Shareholders as on 31st March, 2023. The main channel of communication to the shareholders is through its web-site as mentioned above and Annual Report, which includes inter alia, the Director's Report, Management Discussions & Analysis and Report on Corporate Governance and Audited Financial Results. The Annual Report is also posted on the web-site of the Company viz. www.chdchemicals.com.

xi. MARKET PRICE DATA

The data on price of equity shares of the Company are as under: High, Low during each month in last financial year

Month	High Price	Low Price	No.of Shares
Apr-22	9.9	7.51	465941
May-22	9.1	7.21	228263
Jun-22	11	5.81	759223
Jul-22	9.9	7.41	366824
Aug-22	8.12	7.41	251082
Sep-22	8.2	6.84	342565
Oct-22	8.45	6.8	136776
Nov-22	7.88	6.7	129916
Dec-22	7.7	6.05	187018
Jan-23	7.55	6.15	176730
Feb-23	7.3	5.71	114087
Mar-23	6.69	4.5	125108

XII. INSIDER TRADING

The Company has formulated Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders including therein Code of Conduct for fair disclosures of price sensitive information of the Company, in terms of provisions of SEBI (Prohibition of Insider Trading) Regulation, 1992/2015.

The same has also been uploaded on the web-site of the Company viz. www.chdchemicals.com. The policy lays down guidelines and procedure to be followed and disclosures to be made while dealing with the Shares of the Company.

During the year under review, the Company has revised the following policies under Insider Trading Regulations :-

1. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI),



2. Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders

DECLARATION REGARDING CODE OF CONDUCT

This is to certify that the Company had laid down code of conduct for all the board members and senior management personnel of the Company. Further certified that the members of the board of directors and senior management personnel have affirmed the compliance with the code applicable to them during the year ended 31st March 2023.

**By Order of the Board of Directors
For CHD CHEMICALS LIMITED.**

SD/-

**Place: PANCHKULA
Dated: 6th September, 2023.**

**Ankit kOthari
MANAGING DIRECTOR**

ANNEXURE VI

MANAGEMENT DISCUSSION & ANALYSIS

Industry Overview

OVERVIEW OF CHEMICAL INDUSTRY IN INDIA

The Indian chemical industry is one of the oldest industries in India and has made immense contribution to the industrial and agricultural development of India. It encompasses both large and small-scale units. The fiscal incentives granted to the small-scale units in the mid-1980s provided the thrust to the growth of MSMEs in the sector. The chemical industry serves the needs of sectors such as textiles, leather, plastics, paper, printing inks and food stuffs, among others.

The sector covers over 70,000 commercial products, and provides the feedstock to many downstream industries such as finished drugs, dyestuffs, paper, synthetic rubber, plastics, polyester, paints, pesticides, fertilizers and detergents. Over the years, the industry has been evolving with a shift towards product innovation, brand building and environmental friendliness. Besides, customer focus is gaining significance in the industry.

Leading Position Globally

Chemical industry in India is the third largest producer in Asia and sixth largest in the world.

The Indian chemical industry is expected to surge to USD 226 billion by 2020, up by nearly 35 percent from USD 147 billion in 2015.

Indian chemical industry is expected to double its share in global chemical industry to 5-6% by 2021 registering growth of 8-9% in the next decade.

High GDP Share

The chemical industry in India is a key constituent of Indian economy, accounting for about 2.11 per cent of the GDP

Global Dye Supplier

India accounts for approximately 11 per cent of the world production of dyestuff and dye intermediates, particularly for reactive acid and direct dyes

CHARACTERISTICS OF THE INDIAN CHEMICAL INDUSTRY

- The industry has changed over time to meet the dynamic needs of an emerging economy
- Strong economic growth and rise in per-capita income has meant a steady increase in demand for chemicals
- Expected to clock a growth of 14 per cent over the next decade
- The industry has left behind a low-growth and regulated environment to emerge more mature
- There is strong government support towards R&D; this would benefit the sector

Business Overview

Our Company was originally incorporated at Chandigarh as "CHD Chemicals Private Limited" on 5th November, 2012 under the provisions of the Companies Act, 1956.

Our Company was converted in to a Public Limited Company and consequently the name was changed to "CHD Chemicals Limited" vide fresh certificate of incorporation dated 12th November, 2015 issued by the Registrar of Companies, Punjab and Chandigarh.

Our company is engaged in the business of trading and distribution of high quality chemicals and dyes for textiles industry, leather, and paper industries. We also deal in Construction Chemicals.

We are a chemicals and dyes trading and distribution company with a diverse product portfolio. We are in the trading business since our inception.

We are a professionally managed and growing organization which aims at strengthening and establishing itself as the foremost trader of chemicals and dyes for textile and auxiliary. We also aim at achieving greater and long-term growth.

We are engaged in the business of trading in high quality chemicals & dyes for Textile Industry.

The main suppliers of the Company are Huntsman International (India) Pvt. Ltd. and Fine Organic Industries, Mumbai.

Huntsman International (India) Pvt. Ltd being a United States base company.

SWOT

Strengths

- Diversified product portfolio
- Strong managerial capability
- Cordial relations with Customers
- Adaptability of company in the fast changing environment
- Sound structured facilities
- Reputed suppliers
- Efficient supply chain management

Weaknesses

- Higher taxes
- Dependence on suppliers for products availability
- Working capital intensive due to payment delays from customers

Opportunities

- Large Potential.
- Increasing interest of foreign players in India
- Increasing demand

Threats

- Competition from other developing countries especially from China
- Rising prices of materials
- Formation of cartels
- Government & regulatory norms
- Fluctuations in the material prices

Outlook

The long term objective of the Company is to remain strong player in the market with strong emphasis on product and market development. Your Company is also continuously improving its operational efficiency, and cost control which alone can improve the bottom line in future in highly competitive environment. Further, your Company is hopeful to get advantage of this overall boom likely to happen for the Indian markets and will do all out efforts to secure the bigger share of the increasing market in future.

Internal Control Systems and Their Adequacy

The Company has proper and adequate systems of internal controls. Regular internal audits and checks are carried out to ensure that the responsibilities are executed effectively and that adequate systems are in place.

Human Resources

The number of employees in the Company as on the 31st March, 2023 was 11. The Company enjoys cordial and harmonious industrial relations. Training programs and various initiatives are being taken to create an environment to enhance individual and team performance.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The turnover and other income of the Company during the year is Rs.315666333.67 /- as against Rs. 691960845.15 /- in the previous year.

The profit from operations before depreciation and tax is Rs 3909165.23 as against Rs. 3343984.22 /- in the previous year. The net profit after depreciation, taxation is Rs. 1640542.80 as against Rs. 555523.75 /- in the previous year.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of

**CHD CHEMICALS LIMITED
SCF 214 MOTOR MARKET MANIMAJRA,
CHANDIGARH.**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CHD CHEMICALS LIMITED having CIN: L24232CH2012PLC034188 and having registered office at SCF 214 MOTOR MARKET MANIMAJRA CHANDIGARH (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me/us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023, 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 other Statutory Authority.

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

For Neeraj Jindal & Associates

Company Secretaries

CS. Neeraj Jindal. Proprietor
(Membership No.: FCS 8270)
(CertificateofPracticeNo.: 9056)
Peer Review Certificate No. **2258/2022**.
UDIN: F008270E000944260

Place : Mohali

Date: 5th September, 2023

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE
GOVERNANCE

**[Pursuant to paragraph E of Schedule V of Securities and Exchange Board of
India (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,

The Members,

**CHD CHEMICALS LIMITED
SCF 214 MOTOR MARKET
MANIMAJRA CHANDIGARH**

We have examined the compliance of the conditions of Corporate Governance by CHD CHEMICALS LIMITED ('the Company') for the year ended on 31st March 2023, as stipulated under Regulations 17 to 27, clauses (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 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with 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, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India .we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31st March 2023.

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.

For Neeraj Jindal & Associate

Company Secretaries

CS. Neeraj Jindal. Proprietor
(Membership No.: FCS 8270)
(Certificate of Practice No.: 9056)
Peer Review Certificate No. **2258/2022**
UDIN: F008270E000944216

Place: Mohali

Date:5th September, 2023.

UDIN: 23541066BGZHYN4622

DATED: 29.05.2023

INDEPENDENT AUDITOR'S REPORT**To****The Board of Directors
CHD Chemicals Limited
Plot No. 331,
Industrial Area, Phase II
Panchkula.****Report on Financial Statements****Opinion**

We have audited the accompanying Standalone Financial Statement of CHD Chemicals Limited (“the Company”) which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, the cash flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the state of the affairs of the Company as at March 31, 2023, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (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 the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without qualifying our opinion, we draw attention that:

1. *The Company has slow moving trade receivables, details to which has been mentioned in notes to accounts point 2.3(d), management is of opinion that the same are recoverable.*
2. *The Company has provided interest free loans & advances to some employees and parties. Following are the parties/employees:*
 - i. *Ajay Kapoor*
 - ii. *Buta Singh*
 - iii. *Barnala Godown Constuction*
 - iv. *Neeraj Jindal & Associates*
 - v. *Pankaj Narula*
 - vi. *Satyaveer Singh Kothari*
 - vii. *Satyaveer Kothari & sons huf*

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to report in this regard.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors 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 Results

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results 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 results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of the misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality 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 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 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.

Date: 29thth May, 2023
Place: Ludhiana

For D S P & ASSOCIATES
Chartered Accountants
Firm Reg No. - 006791N

Sidharth Gupta
M. No. 541066
Partner

Annexure A to Independent Auditor's Report

Referred to in our Independent Auditor's Report of even date to the members of CHD Chemicals Limited on the financial statements as of and for the year ended March 31, 2023, we report the following:

- i (a) The company has maintained proper records showing full particulars, including quantitative details and situation, of Property Plant and Equipment.
- (b) The Property Plant and Equipment were physically verified by the Management during the year in accordance with a regular verification programme which, in our opinion provides for physical verification of all the Property Plant and Equipment at reasonable interval. According to information and explanations given to us, no material discrepancies have been noticed on such verification.
- (c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties included in Property Plant and Equipment are held in the name of the Company.
- ii. The physical verification of inventory except stocks in transit has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been dealt with in books of

account. However in respect of certain items, the inventories were verified by the management on a visual estimation which has been relied upon by us.

- iii. The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- iv. The company has given a Guarantee of 2.5 crore to Axis Bank Limited on behalf of Huntsman International (India) Private Limited, Light hall and has been made during the year under the provisions of Section 185 and 186 of the Companies Act, 2013. Accordingly the provisions of clause 3 (IV) of the said Order are applicable to the Company.
- v. In our opinion and according to information and explanations given to us the company has not accepted any deposit from the public within the meaning of Sections 73 to 76 of the Act or any other relevant provisions of the Act and the Rules framed thereunder. Accordingly paragraph 3(v) of the Order is not applicable to the Company.
- vi. Pursuant to the rules by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148 (1) of the Act in respect of its products.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, amounts deducted/accrued in the books of account in respect of the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Taxes, Goods and Service Tax, Duty of Customs and other material statutory dues, as applicable, have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Taxes, Goods and Service Tax, Duty of Customs and other material statutory dues, were in arrears as at 31st March 2023 for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us the records of the Company examined by us, there are no dues of Income Tax, Goods and Service Tax and Duty of Custom which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial Institution or bank. The Company does not have any loans and borrowings from Government. Further, the Company has not issued any debentures.
- ix. The Company has not raised any money by way of initial public offer, further public offer (including debt instruments).
- x. To the best of our knowledge and according to the information and explanations given to us, No material fraud by the Company or on the Company by its officers or employees, noticed or reported during the course of our audit.

- xi. In our opinion and according to information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the order are not applicable to the Company.
- xiii. In our opinion and according to information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act, wherever applicable. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the orders are not applicable to the Company.
- xv. In our opinion and according to information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3 (xvi) of the order are not applicable to the Company.

Date: 29th May, 2023
Place: Ludhiana

For D S P & ASSOCIATES
Chartered Accountants
Firm Reg No. - 006791N

Sidharth Gupta
M. No. 541066
Partner



Annexure B to Independent Auditor's Report

Referred to in paragraph 2(f) of the Independent Auditor's Report of even date to the members of CHD Chemicals Limited on the financial statements for the year ended March 31, 2023, we report the following:

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of CHD Chemicals Limited (“the Company”) as at March 31, 2023 in conjunction with our audit of the 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 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Controls Over Financial Reporting (“the Guidance Note”) and the Standards on Auditing, issued by ICAI deemed to be prescribed under section 143 (10) of the Act, 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 ICAI. 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 control over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

(ii) 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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal controls over financial reporting criteria established by the Company considering the essential components over 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.

Date: 29th May, 2023
Place: Ludhiana

For D S P & ASSOCIATES
Chartered Accountants
Firm Reg No. - 006791N

Sidharth Gupta
M. No. 541066
Partner

CHD CHEMICALS LTD.

Balance Sheet as at March 31, 2023

(All amounts in Lacs unless otherwise stated)

	Particulars	Notes	As on March 31, 2023	As on March 31, 2022
I	EQUITY AND LIABILITIES			
(1)	Shareholders' Funds			
	(a) Share Capital	2	1,010.91	1,010.91
	(b) Reserves and surplus	3	294.87	322.62
(3)	Non-Current Liabilities			
	(a) Long-term borrowings	4	618.35	1,625.86
	(b) Deferred tax liabilities (Net)	5	-	(35.99)
	(c) Long-term Provision	6	-	-
(4)	Current liabilities			
	(a) Short-term borrowings	7	268.48	315.77
	(b) Trade payables			
	- Total outstanding dues of micro enterprises and small enterprises		-	-
	- Total outstanding dues to other than micro enterprises and small enterprises	8	424.54	635.84
	(c) Other current liabilities	9	38.33	118.21
	(d) Short-term provisions	6	3.14	6.63
	TOTAL		2,658.62	3,999.84
II	ASSETS			
(1)	Non-current assets			
(a)	Property, Plant and Equipmnets and Intangible Assets			
	(i) Property Plant and Equipment	22	89.96	105.95
(b)	Non current investments	10	-	-
	Deferred tax Asset (Net)		2.63	-
(c)	Other Non-Current Assets	11(a)	-	-
(2)	Current assets			
(a)	Inventories	12	575.19	571.08
(b)	Trade receivables	13	1,870.07	3,189.91
(c)	Cash and Cash Equivalents	14	61.21	56.31
(d)	Short Term Loan and advances	11	24.18	20.18
(e)	Other current assets	15	35.37	56.41
	TOTAL		2,658.62	3,999.84

The notes are an integral part of these Financial Statements

As per our review report of even date

For DSP & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No.: 06719N

SIDHARTH GUPTA

Partner

Membership No. 541066

Place: Ludhiana

Date: 29-05-2023

For and on behalf of the Board of Directors of
CHD CHEMICALS LTD.**DIVYA KOTHARI**

Director

DIN: 03592047

ANKIT KOTHARI

Director

DIN: 00000000

KARTIK BHATIA

COMPANY SECRETARY

CHD CHEMICALS LTD.

Statement of Profit and Loss for the year ended 31st March 2023

(All amounts in Lacs unless otherwise stated)

Particulars	Note	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Revenue from operations	16	1,907.30	3,153.71
Other income	17	5.20	2.95
TOTAL INCOME		1,912.50	3,156.66
Cost of materials consumed	18	1,765.54	2,911.36
Purchases of stock-in-trade		-	
Changes in inventories of finished goods,	19	(4.11)	30.23
Employee benefits expense	20	49.79	59.69
Finance costs	22	37.44	46.64
Depreciation	21	21.85	15.89
Other expenses	23	33.28	69.66
TOTAL EXPENSES		1,903.80	3,133.46
Profit before exceptional and extraordinary items and tax		8.70	23.20
Exceptional Item & Extra Ordinary Items		-	-
PROFIT BEFORE TAX		8.70	23.20
Tax expense:			
(1) Current tax			
- Income Tax		3.14	6.63
- Earlier year taxes		(0.04)	0.17
(2) Deferred tax Liabilities/(Assets)		(0.95)	(34.60)
PROFIT FOR THE YEAR		6.55	51.01
Earnings per equity share:			
(1) Basic		0.06	0.50
(2) Diluted		0.06	0.50

The notes are an integral part of these Financial Statements

As per our review report of even date

For DSP & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No.: 06719N

SIDHARTH GUPTA

Partner

Membership No. 541066

Place: Ludhiana

Date: 29-05-2023

For and on behalf of the Board of Directors of

CHD CHEMICALS LTD.**DIVYA KOTHARI**

Director

DIN: 03592047

ANKIT KOTHARI

Director

DIN: 00000000

KARTIK BHATIA

COMPANY SECRETARY

CHD CHEMICALS LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts in Lacs unless otherwise stated)

Particulars	FOR THE YEAR ENDED 31.03.2023		FOR THE YEAR ENDED 31.03.2022	
I) Cash Flows from Operating Activities				
Net Profit before tax and extraordinary items	8.70		23.20	
Adjustments for:				
Depreciation	21.85		15.89	
Misc Expenditure W/off	-		-	
(Profit)/Loss on Sale of Fixed Assets	-		-	
Interest Paid	37.44		46.64	
Interest Income	(5.15)		(2.95)	
Income Tax Previous Years Adjustment	-	62.84	-	82.78
Operating profit before working capital changes		62.84		82.78
Adjustments for:				
Decrease/(-) Increase in trade and other receivables	1,319.84		287.21	
Decrease/(-) Increase in inventories	(4.11)		30.23	
Increase/(-) Decrease in trade payables	(211.30)		(1,718.38)	
Increase/(-) Decrease in other current liabilities	(71.13)		48.64	
Increase/(-) Decrease in Short Term Provisions				
Decrease/(-) Increase in Other Current Assets	21.04		7.49	
Decrease/(-) Increase in Short Term Loan & Advances	(4.00)	1,050.34	(1.35)	(1,346.15)
Cash generation from operation		1,113.18		(1,263.38)
Income Taxes paid	-	(6.58)	-	(4.31)
Net cash from/used in Operating Activities (A)		1,106.59		(1,267.69)
II) CASH FLOW FROM/USED IN INVESTING ACTIVITIES				
(2) MAT CREDIT				
Purchase of fixed assets	(5.86)		(47.35)	
(2) Deferred tax Liabilities/(Assets) (including capital work in progress)				
Sale of Fixed Assets	-		-	
Interest Received	5.15		2.95	
Increase (Decrease) in Long Term Advances	-	(0.70)	0.90	(43.49)
Net cash from/used in Investing Activities (B)		(0.70)		(43.49)
III) CASH FLOW FROM/USED IN FINANCING ACTIVITIES				
Repayment of Long Term Borrowings	(1,016.25)		1,376.98	
Proceeds from term loans from banks and others (net)				
Proceeds from working capital borrowings from banks	(47.29)		(25.69)	
Dividend Paid				
Interest paid	(37.44)	(1,100.99)	(46.64)	1,304.66
Net cash from/used Financing Activities (C)		(1,100.99)		1,304.66
Net Increase in Cash and Cash Equivalents (A + B + C)	-	4.90		(6.52)
Opening Cash and Cash Equivalents		56.31		62.83
Closing Cash and Cash Equivalents		61.21		56.31
IV) CASH AND CASH EQUIVALENTS COMPRISE OF				
Cash in hand	12.89		8.13	
Balances with Bank	1.68		3.90	
In Current Accounts	-		-	
Total		14.56		12.03

This Cash Flow Statement has been prepared as per "Indirect Method" as prescribed by Accounting Standard -3 (revised) "Cash Flow Statements"

For DSP & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No.: 06719N

For and on behalf of the Board of Directors of

CHD CHEMICALS LTD.
SIDHARTH GUPTA

Partner

Membership No. 541066

DIVYA KOTHARI **ANKIT KOTHARI**

Director

Director

DIN: 03592047

DIN: 00000000

Place: Ludhiana

Date: 29-05-2023

KARTIK BHATIA

COMPANY SECRETARY

CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

(All amounts in Lacs unless otherwise stated)

Not e		As at March 31, 2023	As at March 31, 2022
2	Share Capital		
	Authorized:		
	11000000 equity shares of Rs.10/- each	1,100.00	1,100.00
	A. Issued, Subscribed and Fully Paid Up Shares:		
	10109080 equity shares of Rs.10 each fully paid up	1,010.91	1,010.91
	Total Issued, Subscribed and Fully Paid Up Equity Share Capital	1,010.91	1,010.91

2.1 Reconciliation of the number of shares outstanding as on the date of Balance Sheet:

	As at March 31, 2023		As at March 31, 2022	
	No.	Amount	No.	Amount
At the beginning of the period	101.09	1,010.91	101.09	1,010.91
Issued During the Year	-	-	-	-
Outstanding at the end of period	10,109,080	1,010.91	10,109,080	1,010.91

B. Terms/rights attached to equity shares

- The company has issued one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.
- The company declares and pays dividend in Indian rupees. During the year ended March 31, 2022 the amount of dividend recognised as distributions to equity share holder's was NIL. The distribution will be in proportion to the number of equity share held by the equity shareholder.
- In the event of liquidation of the company, the holders of equity share will be entitled to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity share holders.
- There is no change in the number of shares outstanding at the beginning and at the end of the year.
- There is no change in the pattern of shareholding during the year. It is same as the last year.

C. List of shareholders holding more than 5% of Paid up Equity Share Capital

Sr. No.	Shareholder	As at March 31, 2023		As at March 31, 2022	
		No of Shares	%	No of Shares	%
1	Ms. Divya Kothari	1,653,613	16.35%	986,636	9.76%
2	Mr. Ankit Kothari	-	-	627,181	10.12%
3	M/S Ankit Trade & Investments Pvt Ltd.	1,050,000	10.38%	1,050,000	10.38%

Shares held by promoters at the end of the year 31st March 2023

Sr. No.	Promoter Name	% of Total Shares	% Change during the year
1	Ms. Divya Kothari	16.35%	6.59%
2	Mr. Ankit Kothari	0.00%	-10.12%
	Total	16.35%	-3.53%

Shares held by promoters at the end of the year 31st March 2021

Sr. No.	Promoter Name	% of Total Shares	% Change during the year
1	Ms. Divya Kothari	16.35%	0.00%
2	Mr. Ankit Kothari	10.12%	0.00%
	Total	26.47%	0.00%

CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

3 Reserves and Surplus	As at March 31, 2023	As at March 31, 2022
Securities Premium Account		
Balance at the beginning of the year		-
Add: Amount transferred from surplus in the statement of profit and loss		-
CLOSING BALANCE		-
Securities Premium Account		
Balance as per last financial statements	27.09	27.09
Closing balance	27.09	27.09
Surplus/(deficit) in the Statement of Profit and Loss		
Balance as per last financial statements	295.53	243.13
Profit for the year	6.55	51.01
Less: Income Tax related to earlier Year		-
Less: Deferred Tax related to earlier Year	(0.29)	(1.39)
Add: Capital Subsidy	-	-
Less: Provision for Gratuity	-	-
Less: Dividend INCLUDING DDT	-	-
Less: Adjustemnet of Deffered Tax L/(A) prev years	34.60	
Less: Transfer to Statutory Reserve	-	
Net Surplus in the Statement of Profit and Loss	267.77	295.53
Total Reserves and Surplus	294.87	322.62

4 Long-term Borrowings

Amount (Rs. In Lacs)

	Non-current		Current	
	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022
Term Loans (Secured)				
Indian rupee loan from banks	-	-	-	-
Daimler Financial Services India Pvt Ltd	-	-	-	8.75
Axis Bank Working Capital Loan Elcl Scheme	3.75	15.00	18.75	15.00
Toyota Financial Services India Ltd	21.39	8.80	30.20	8.80
Other loans and advances (Secured)				
Term Loan From NBFC	-	-	-	-
Deposits (Unsecured)				
Inter Corporate deposit	-	-	-	-
From Directors, Shareholders & their relatives	582.36		1,486.46	
From Others	10.85		90.45	
	618.35	23.80	1,625.86	32.55
Amount disclosed under the head "Short term borrowing" (note 7)	-	(23.80)	-	(32.55)
Total	618.35	-	1,625.86	-

Notes:

Primary Security

Collateral Security

Corporate Guarantee

Personal Guarantees

CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

(All amounts in Lacs unless otherwise stated)

Maturity Pattern of Term Loan (Including Interest)

	2020-21	2021-22	2022-23	2023-24
As at 31.03.2023	13.54	13.54	9.03	
As at 31.03.2022	13.54	13.54	9.03	

	2024-25	2025-26	2026-27	2027-28
As at 31.03.2023				
As at 31.03.2022				

	2028-29	2029-30	2030-31
As at 31.03.2023			
As at 31.03.2022			

(c) Loan against vehicle was taken in the year 2021-22 from NBFC/Bank and is secured by hypothecation of respective vehicle. The loan is repayable on monthly basis and carry interest rate as per their respective loan agreements till the year 2026-27.

Maturity Pattern of Vehicle Loan (Including Interest)

	2021-22	2022-23	2023-24	2024-25
As at 31.03.2023	-	11.26	11.26	11.26
As at 31.03.2022	-	-	-	-

	2025-26	2026-27
As at 31.03.2023	11.16	-
As at 31.03.2022	-	-

CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

(All amounts in Lacs unless otherwise stated)

5. Deferred Tax Liability (net)

	As at March 31, 2023	As at March 31, 2022
Deferred tax liability		
Opening Balance	(35.99)	1.39
Impact of difference between Income Tax depreciation and depreciation/amortization charged for financial reporting	-	(34.60)
Expenses allowed u/s 43B of Income Tax Act, charged to Profit and Loss account in previous year		
Gross deferred tax liability	(35.99)	(35.99)
Deferred tax asset	-	
Expenses disallowed U/s 36(1) (va) of Income Tax Act 1961	-	-
Loss as per Income Tax Act	2.63	-
Gross Deferred tax asset	2.63	-
Net Deferred Tax Liability	(33.35)	1.39

6. Provisions

	Amount (in Lakhs)		Amount (in Lakhs)	
	Non Current	Current	Non-current	Current
	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022
Provision for Employee Benefits	-	-	-	-
Total (A)	-	-	-	-
Other Provisions				
Provision for Income Tax	-	3.14	-	6.63
Contingent Provision against Standard Assets				
Total (B)	-	3.14	-	6.63
Total (A+B)	-	3.14	-	6.63

7. Short-term Borrowings

	As at March 31, 2023	As at March 31, 2022
Secured		
Working Capital Loans From Bank (LAS)	268.48	315.77
	268.48	315.77

Notes:

Security

Scrip Phy Qnty

Collateral Securities

Corporate Guarantee

Unsecured

Loan Repayable on Demand
Ritu Gupta

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CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

(All amounts in Lacs unless otherwise stated)

Amount (Rs. In Lacs)

8 Trade Payables

	As at March 31, 2023	As at March 31, 2022
Trade payables (including acceptances)		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues to other than micro enterprises and small enterprises	424.54	635.84
	424.54	635.84

Trade Payables ageing schedule: As at 31st March,2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	405.30	-	-	19.24	424.54
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule: As at 31st March,2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	592.31	2.03	3.20	38.30	635.84
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

(All amounts in Lacs unless otherwise stated)

	-	-
	As at March 31, 2023	As at March 31, 2022
9 Other Current Liabilities		
Current Maturities of Long term debt	23.80	32.55
Advance from customers	-	-
other liabilities	8.39	18.04
Cheque Issued but not presented	1.24	61.78
Statutory Liabilities	4.89	5.84
Total	38.33	118.21

10 Non Current Investments

TRADE INVESTMNET AT (COST)

A. QUOTED

I. Quoted - Equity Shares

- -

II. Quoted - Mutual Funds

Total A

- -

B. UNQUOTED

III. Unquoted - Equity Shares

- -

Share of Profit/(Loss)

-

Total B

- -

Total A+B

- -

Aggregate Value of Quoted Investment(Valued At Cost)

-

Aggregate Value of Quoted Investment at Market Value

-

Aggregate Value of Unquoted Investment(Valued At Cost)

- -

11 Loans and Advances

Non-current	Current	Non-current	Current
As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022

Capital advances

Unsecured considered good

- - - -

Total (A)

- - - -

LOANS & ADVANCES REPAYABLE ON DEMAND

ADVANCES FROM SUPPLIERS

Ajay Kapoor

2.50 2.50

Buta Singh

5.00 5.00

Barnala Godown Constuction

5.33 5.33

Neeraj Jindal & Associates

3.00 1.50

Pankaj Narula

2.25 2.25

Salary Advance

0.10 0.10

Satyaveer Singh Kothari

2.50

Satyaveer Kothari & sons huf

3.50 3.50

Prepaid Expenses

- -

Total (B)

- 24.18 - 20.18

Total (A+B)

-	24.18	-	20.18
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CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

(All amounts in Lacs unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
11a Other non-current assets		
(i) Long Term Trade Receivable		
Unsecured		
Considered good	-	-
Considered doubtful	-	-
(ii) Security Deposit		-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
12 Inventories (valued at lower of cost and net realisable value)		
(a) Raw Material		-
(b) Work in Progress		-
(c) Finished Goods	575.19	571.08
(e) Stores and Spares		-
	<u>575.19</u>	<u>571.08</u>

CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

(All amounts in Lacs unless otherwise stated)

13 Trade receivables (considered good unless otherwise stated)	-	-
	As at March 31, 2023	As at March 31, 2022
Receivables outstanding for a period exceeding six months from the due date of payment		
Unsecured		
Considered good	-	-
Considered doubtful		
Less: classified under Other non-Current assets (Note No.11(a))	-	-
Total (A)	-	-
Other receivables		
Unsecured		
Considered good	1,870.07	3,189.91
Total (B)	<u>1,870.07</u>	<u>3,189.91</u>
G. Total (A+B)	<u><u>1,870.07</u></u>	<u><u>3,189.91</u></u>

Trade Receivables ageing schedule as at 31st March,2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -considered good	644.78	522.31	242.98	460.00	1,870.07
(i) Undisputed Trade receivables -considered doubtful					
(iii) Disputed trade receivables considered good					
(iv) Disputed trade receivables considered doubtful					

Trade Receivables ageing schedule as at 31st March,2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables -considered good	1,297.21	1,333.23	379.85	179.62	3,189.91
(i) Undisputed Trade receivables -considered doubtful					
(iii) Disputed trade receivables considered good					
(iv) Disputed trade receivables considered doubtful					

CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

(All amounts in Lacs unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
18 Cost of Raw Material Consumed		
Amount of opening Inventory	-	-
Purchases (net)	1,765.54	2,911.36
Total	<u>1,765.54</u>	<u>2,911.36</u>
Less inventory at the end of year		-
Cost of raw material consumed	<u>1,765.54</u>	<u>2,911.36</u>
19 (Increase)/Decrease in Inventories		
Inventories at the end of the year		
Finished Goods	575.19	571.08
Work -In- Progress		-
	<u>575.19</u>	<u>571.08</u>
Inventories at the Beginning of the year		
Finished Goods	571.08	601.31
Work -In- Progress	-	-
Scrap	-	-
	<u>571.08</u>	<u>601.31</u>
(Increase)/Decrease in Inventories	<u>(4.11)</u>	<u>30.23</u>
20 Employee Benefit Expenses		
Salaries & wages	49.27	59.38
Contribution to PF & Other Funds	-	-
Directors' remuneration	-	-
Security Expenses	-	-
Staff Welfare Expenses	0.53	0.31
	<u>49.79</u>	<u>59.69</u>
21 Depreciation and Amortization Expense		
Depreciation	21.85	15.89
Amortization - Deferred Revenue Expenses	-	-
Total	<u>21.85</u>	<u>15.89</u>

CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

(All amounts in Lacs unless otherwise stated)

22 Finance Cost	As at March 31, 2023	As at March 31, 2022
Interest		
A) Interest on Term Loan	2.59	1.31
B) Interest on Working Capital and working capital TL	26.73	27.61
C) Other Interest	2.92	12.46
D) Bank & Other Charges	5.20	5.26
Bank Charges		-
Processing Fee		-
Exchange Rate Differences		-
Total	37.44	46.64
23 Other expenses		
<u>(a) Manufacturing Expenses</u>		
<u>Opening Stock</u>		
Store & Spares	-	-
<u>Add: Purchases</u>		
Consumable Stores		-
Electricity Charges		-
Generator Expenses		-
Job Charges		-
Machinery Repair & Maintt.		-
	-	-
-		
Store & Spares	-	-
Total Manufacturing Expenses (a)	-	-

CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

(All amounts in Lacs unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022	
(b) Administrative Expenses			
Administration Expenses	0.50	0.43	
Charity & Donation A/C	0.01	0.00	
Software Updation /Comuter Exp /Website Development	0.65	0.13	
Conveyance Exp A/C	0.17	0.51	
Electricity & Water	0.32	0.81	
Office Repair & Maintenance	0.22	0.10	
Misc Expenses	(0.00)	0.00	
Postage & Telegram Exp	0.16	0.20	
Printing & Stationary A/C	0.19	0.76	
Rent Account	2.29	3.71	
Telephone Expenses	0.83	0.97	
Tour & Travel Exp	0.75	1.30	
Vehicle Running & Maintt	12.72	7.39	
Insurance	3.16	1.60	
Legal & Pprofessional Exp	6.10	8.12	
Roc & Other Fees	0.03	0.04	
Consultancy Charegs	0.34		
Rate & Taxes/Dividend Tax	0.18	1.88	
Fire Fighting Exp	-	0.08	
Total Admin. Exps	28.63	28.05	
Payment to Auditors :			
- Audit Fee	112500	1.13	0.38
- Tax Audit Fee		-	-
- Other matters		-	-
Total Payment to Auditors		1.13	0.38
Total Administrative Expenses (b)		29.75	28.42
(c) Selling Expenses			
Sampling Expenses	-		0.01
Sales Promotion	0.79		12.90
Freight Outward A/C	0.26		0.37
Rebate & Discount Allowed	0.63		25.73
Lab Expense/ Testing Charges	-		0.12
Packing Expenses	0.01		0.27
Advertisement Exp.	1.46		1.68
Diwali Exp	0.39		0.15
Total Selling Expenses (c)		3.53	41.23
Total Other Expenses (a+b+c)		33.28	69.66

CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

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Note No. 24

Ratio analysis	For the Year ended 31.03.2023	For the Year ended 31.03.2022	Difference in %	Comments
1 Current Ratio	3.49	3.62	-3.42%	
2 Debt Equity Ratio	0.68	1.46	-53.35%	
3 Debt Service Coverage Ratio	0.22	0.24	-11.03%	
4 Return on Equity Ratio	0.00	0.04	-87.22%	
5 Inventory Turnover Ratio	3.07	5.75	-46.57%	
6 Trade Receivables Turnover Ratio	0.75	0.92	-18.10%	
7 Trade Payables Turnover Ratio	3.33	1.69	97.19%	
8 Net Capital Turnover Ratio	1.04	1.12	-6.97%	
9 Net Profit Ratio	0.00	0.02	-78.75%	
10 Return on Capital employed	0.02	0.02	0.38%	
11 Return on Investment	-	-	-	

CHD CHEMICALS LTD.

Notes to Financial Statements for the Year ending 31st March 2023

(All amounts in Lacs unless otherwise stated)

25. The company has no Immovable Property

26. The company has not revalued its Property, Plant and Equipment during the year

27. The company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMP and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

28. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

29. The company has not been declared wilful defaulter by any bank or financial Institution or other lenders.

30. Relationship with struck off companies

Name of struck off Company	Nature of transactions with struck off Company	Balance Outstanding	Relationship with struck off company, if any, to	
N.A.	Investment in securities	N.A.	N.A.	N.A.
N.A.	Receivables	N.A.	N.A.	N.A.
N.A.	Payables	N.A.	N.A.	N.A.
N.A.	Shares held by struck off comp	N.A.	N.A.	N.A.
N.A.	Other outstanding balances	N.A.	N.A.	N.A.

31. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

32. The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

33. The company has not borrowing from any bank and financial institution during the year.

34. Capital-Work-in Progress (CWIP) / Intangible assets under development (ITAUD)

CWIP/ITAUD	Amount in CWIP for a period of 2021-22				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

CWIP/ITAUD	Amount in CWIP for a period of 2020-2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

35. The company has not entered any scheme of arrangement in terms of section 230 to 237 of the companies act, 2013.

36. The company has not been surrender or disclose as income during the year in the tax assessment under the income tax act 1961.

37. The company has not traded or invested in crypto currency or virtual currency during the financial year.

For CHD CHEMICALS LTD.

Director

Director

CHD CHEMICALS LTD.

Fixed Assets as at 31.03.2023

Note No. 21

(Rs in Lakhs)

PARTICULARS	GROSS BLOCK						ACCUMULAED DEPRECIATION				NET BLOCK		
	COST AS ON 01.04.2022	ADDITIONS	DISPOSALS/ TRANSFER	AS AT 31.03.2023	ADDITIONS DURING THE YEAR	SALES/OTHE R	COST AS ON 31.03.2023	UPTO 01.04.2022	DURING THE YEAR 22-23	DEDUCTION S/OTHER	TOTAL UPTO 31.03.2023	WDV AS ON 31.03.2023	WDV AS ON 31.03.2022
TANGIBLE ASSETS													
FURNITURE & FIXTURE	0.05			0.05	-	-	0.05	0.05	0.01		0.05	0.00	0.01
OFFICE EQUIPMENTS	6.43			6.43	1.25		7.68	4.34	0.71		5.06	2.62	2.09
VEHICLES	203.13			203.13	3.86	-	206.99	100.87	20.90		121.78	85.21	102.26
COMPUTERS	5.75			5.75	0.75	-	6.50	4.15	0.23		4.38	2.12	1.60
Total	215.37	-	-	215.37	5.86	-	221.23	109.41	21.85	-	131.26	89.96	105.95
INTANGIBLE ASSETS													
Software Development													
Capitla Work in Progress	-				-	-	-	-	-	-	-	-	-
Grand Total	215.37				5.86	-	221.23	109.41	21.85	-	131.26	89.96	105.95

CHD CHEMICALS LIMITED (CHANDIGARH)

1. Corporate Information:

CHD Chemicals Limited (the Company) is a trading company. The Company is doing trading in Chemicals, Dyes & Yarn.

The Company is a public limited company incorporated and domiciled in India. The address of its Registered Office is 214, Motor Market, Manimajra Chandigarh-160101.

The Financial Statements for the year ended March 31, 2023 were approved by the Board of Directors and authorized for issue on 29th May, 2023

2. Basis for preparation, measurement and significant accounting policies

2.1 Basis for preparation and measurement

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS” as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time under the historical cost convention on the accrual basis.

Effective April 01, 2019 the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, *First time adoption of Indian Accounting Standards, with April 01, 2018 as the transition date*. The transition was carried out from Indian Accounting Principles Generally accepted in India as prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which were previous GAAP.

Accounting Policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to existing accounting standard requires a change in the accounting policy either to in use. The financial statements are presented in Indian Rupees rounded off to the nearest rupees.

2.2 Use of estimates and judgments

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires the management of the Company to make judgments, estimates and assumptions. These estimates, judgments and assumptions after application of accounting policy and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.2.1. Accounting estimates could change from period to period. Accrual results could differ from those estimates. Appropriate changes and estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their affects are disclosed in the notes to the financial statements.

2.2.1. Critical accounting estimates

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Sales are recognized when goods are supplied and the significant risks and rewards or ownership of the goods have passed to the buyer. Dividend income is accounted in the year in which it is received. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

ii. Income Taxes

Significant judgments are involved in determining the provisions for income taxes including amount expected to be paid/incurred on uncertain tax positions. Also refer Note No. 2.3(j)

iii. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The change in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets determine by the management at the time asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as change in technology.

2.3. Significant Accounting Policies

a) Property, plant and equipment:

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. The Cost of these assets comprise its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use. Subsequent expenditure relating to an item of assets are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance. All other repairs and maintenance cost are charged to the statement of profit and loss during the period in which they are incurred.

Gains/Losses arising on disposal of property, plant and equipment are recognized in the statement of profit and loss as exceptional items.

Depreciation on fixed assets is provided on straight line method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013.

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

b) Inventories:

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence, if any except in case of by-product which are valued at net realizable value. The cost is computed on First in First out (FIFO) basis. Cost for the purpose of valuation of finished goods and goods in process is computed on the basis of cost of

material, labor and other related overheads. Further, we have relied upon information and data provided to us in respect of inventories valuations and quantity. Physical stock check performed by the management has been relied upon for the stock held as on 31.03.2023.

c) Cash and Cash Equivalentents:

Cash and Cash Equivalentents are short term (3 months or less from the date of acquisition), highly liquid investments that are daily convertible into cash and which are subject to and insignificant risk of changes in value. We would like to highlight that the company is having an account with state bank of India which is currently a dormant account, and the management has been advised to close the account.

d) Trade Receivables:

Trade receivables are recognized at fair value. In respect of ageing the company has debtors amounting approximate 7.02 crores beyond 2 years and the same is advised to management to be written off if not recoverable.

e) Impairment of Non-Financial Tangible Assets:

Property, plant and equipment with finite life are evaluated for recoverability whenever there is an indication that carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flow that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the assets belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

f) Provisions, Contingent Liabilities & Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be out flow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

g) Expenditure:

Expenses are accounted on accrual basis.

h) Employee Benefits:

The company is not liable to pay retirement benefits.

i) Income Taxes:

Income Tax expense for the year comprises both current and deferred taxes. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. It is recognized in the statement of profit and loss. Deferred Income Taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of early years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry

forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are reassessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

j) **Earnings per Share:**

Basic Earnings per Share is computed by dividing profit or loss attributable to equity shareholders of the company by the weighted average number of equity share outstanding during the year.

For the purpose of calculating diluted Earnings per share, the net profit for the period attributable to equity shares and the weighted average number of equity share outstanding during the period is adjusted for the effect of all dilutive potential equity shares.

k) **Cash Flow Statement**

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS)-7 "Statement of Cash Flows" using the Indirect Method for operating activities.

l) **Borrowing costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of cost of such asset. Qualifying asset is one that takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenditure in the period in which these are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

m) Foreign Currency Transactions

No Transaction in Foreign Currency.

n) Government Grants

The company has not received any Government grants during the year.

3. **Contingent Liabilities** not provided for in respect of:-

Inland letter of Letter issued by Axis Bank Rs Nil

Bank Guarantee issued by Axis bank 2.5 Crores

4. **LEASES**

The company at present does not have any operational lease contract.

5. **SEGMENT REPORTING**

The Company is in single business segment of Trading.

6. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in Balance Sheet. The provision for all known liabilities is adequate and is neither excess nor short of the amount reasonably necessary.

7. RELATED PARTY DISCLOSURES

Disclosures as required by Ind AS 24“Related Party Disclosures” are given below:-
List of Related Party:-

S. No	Name	Relation
1 2 3 4 5 6 7	Divya Kothari Ankit Kothari Santosh Rani Vijender Singh Kartik Bhatia Shrikant sharma Subhash chander	Directors/ Key Managerial Personnel
8 9 10	Kitabwati Kothari Satyaveer Singh Kothari Suman Sihag	Relatives Of Key Management Personnel
11 12 13 14	M/S A.D. Sales Corp. M/S Bharat Udyog M/S Ankit Trade & Investments Private Limited M/S Pan Organics Industries	Companies/Entity Owned Or Significantly Influenced By Directors/Relatives Of Directors

d) Related Party Transactions:-

Nature of Transactions	31 st March, 2023	31 st March, 2022
Transaction during the year	Amount	
REMUNERATION		
DIVYA KOTHARI	8.72	6.00
SATYAVEER SINGH KOTHARI	3.00	12.00
KAMAL KUMAR SHAH	-	7.50
HARSIMRAN JIT KAUR	-	4.00
ANKIT KOTHARI	1.66	
KARTIK BHATIA	1.44	0.40
RENT PAID		
ANKIT KOTHARI	0.85	1.44
LOAN RECEIVED		
DIVYA KOTHARI	-	418.13
ANKIT KOTHARI	582.35	106.83
LOAN REPAYMENT		
ANKIT TRADE AND INVESTMENT PRIVATE LIMITED	-	8.00

8. Outstanding balances in sundry debtors & creditors are subject to confirmation from the parties. External balance confirmation has not been performed.

9. Figures in brackets represent figures of previous year.
10. Previous year's figures have been regrouped and/or rearranged wherever considered necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED.
FOR DSP & ASSOCIATES
CHARTERED ACCOUNTANTS

Sidharth Gupta
M.No. 541066
FRN 06791N
UDIN: 23541066BGZHYN4622

Divya Kothari
Director
(Din: 035920547)

Ankit Kothari
Director
(Din: 06883692)

Kartik Bhatia
Company Secretary