



**22ND
ANNUAL REPORT
2013-2014**



**TWENTY SECOND ANNUAL REPORT
2013-2014**

BOARD OF DIRECTORS Shri Dipak N. Patel - Managing Director (DIN – 02052080)
 Shri Rajesh I. Mody - Independent Director (DIN – 02054117)
 Shri Narendrakumar H. Patel - Independent Director (DIN–02054077)
 Shri H. L. Joshi - Independent Director (DIN – 05156058)

BANKERS BANK OF INDIA

AUDITORS **M/s. Talati & Talati**
 Chartered Accountants
 Ahmedabad.

FACTORY AND REGISTERED OFFICE 325, Village : Indrad,
 Chhatral - Kadi Road, Tal.: Kadi,
 Dist. : Mehsana,
 (NORTH GUJARAT) 382715.
 02764-277844
 investor@crestchemlimited.in
www.crestchemlimited.in.

SHARE TRANSFER REGISTRAR **LINK INTIME INDIA PRIVATE LIMITED**
 303, 3rd Floor, Shoppers Plaza V,
 Opp. Municipal Market, Off. C. G. Road,
 Navrangpura, Ahmedabad –380009
 Telefax No. : 91-79 - 26465179
 Email: ahmedabad@linkintime.co.in

CIN **L24100GJ1991PLC015530**

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NOTICE

NOTICE is hereby given that the **TWENTY SECOND ANNUAL GENERAL MEETING** of the Members of **CRESTCHEM LIMITED** will be held as scheduled below:

Date	: 30 th September, 2014
Day	: Tuesday
Time	: 05.00 p.m.
Place	: Conference Hall, Sankalp Express, Thol Road, Kadi, Taluka: Kadi, District - Mehsana: 382 715 (NORTH GUJARAT)

to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts of the Company for the period (12 months) ended on 31st March 2014, and the Director's and Auditor's Reports thereon.
2. To appoint a Director in place of Shri Rajesh I. Mody (DIN – 02054117) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:
“**RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 Messrs Talati & Talati, Chartered Accountants, (Firm Registration No. 110758W) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 23rd Annual General Meeting of the Company, subject to ratification by the shareholders annually, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS:

4. **Appointment of Shri Rajesh I. Mody (DIN – 02054117) as an Independent Director.**

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

“**RESOLVED THAT** pursuant to the provisions of sections 149,150,152 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) read with schedule IV to the Companies Act, 2013, Shri Rajesh I. Mody (DIN 02054117), Director of the Company who retires by rotation at the Annual General Meeting 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 an Independent Director of the Company to hold office for five (5) consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31,2019”.

5. **Appointment of Shri Narendrakumar H. Patel (DIN – 02054077) as an Independent Director**

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

“**RESOLVED THAT** pursuant to the provisions of sections 149,150,152 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) read with schedule IV to the Companies Act, 2013, Shri Narendrakumar H. Patel (DIN 02054077), Director of the Company, liable to retire by rotation 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 an Independent Director of the Company to hold office for five (5) consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31,2019”.

6. **Appointment of Shri H. L. Joshi (DIN – 05156058) as a Independent Director**

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

“**RESOLVED THAT** pursuant to the provisions of sections 149,150,152 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) read with schedule IV to the Companies Act, 2013, Shri H. L. Joshi (DIN 05156058), Director of the Company, liable to retire by rotation 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 an Independent Director of the Company to hold office for five (5) consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31,2019”.

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

“**RESOLVED THAT** pursuant to the Provisions of Section 180(1)(a) of the Companies Act 2013 and the Rules made there under and all applicable provisions, for the time being in force subject to the enabling provisions of Memorandum and Articles of Association of the Company, Consent of the Company be and is here by accorded to the Board of Directors of the Company, to sell, lease or otherwise dispose off Part or whole or substantially the whole of the Undertaking(s) of the Company comprising of its any of its facilities / offices / divisions / Factories / Plant / Land or other assets / Properties or any substantial part of the Properties wherever situated, to any other Company, firm or any other entities and/or conferring the power to finalize the terms of such sell, lease or otherwise dispose off Part or whole or substantially the whole of the Undertaking(s) of the Company and that on behalf of Board of Directors, Mr. Dipak N. Patel (DIN 02052080) Managing Director and/or any one of the Director of the Company be and is/are hereby jointly/severally authorized to enter in to any agreement with the concerned party to sell/lease or otherwise dispose off the Part or whole or substantially whole of the undertaking(s) of the Company for the benefit of the Company.”

“**RESOLVED FURTHER THAT** on behalf of the Board of Directors of the Company, Mr. Dipak N. Patel (DIN 02052080), Managing Director and/or any one of the Director of the Company be and is/are hereby jointly/severally authorized to do such acts/deeds and things and to sign/seal/execute and deliver all such documents, agreements, assignment, conveyances, deeds and writings as may be necessary for the expedient and incidental there to give aforesaid resolution and for the matter connected with and incidental there to.”

8. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Special Resolution**

“**RESOLVED THAT**, pursuant to the Provisions of 180 (1)(a) and Section 179 of the Companies Act 2013 and the Rules made there under and all applicable provisions, for the time being in force subject to the enabling provisions of Memorandum and Articles of Association of the Company, Consent of the Company be and is here by accorded to the Board of Directors of the Company, to the creation of such mortgages, Charges, hypothecations and floating charges in such form and such manner as may be agreed to between the Board of Directors and the Company's lender on all or any of the movable and immovable properties of the Company both



present and future of every nature and kind whatsoever and the undertaking of the Company in certain events, to secure term loans/ working capital facilities / External Commercial Borrowings/ Debentures/ any other form of finance etc. not exceeding ` 15 Crores (Rupees Fifteen Crores) at any one point of time from the Financial institution / Banks and other agencies/ parties / person with interest thereon, commitment charges, Liquidated damages, charges, expenses and other monies, such mortgages and / or charges already created or to be created in future by the Company in such manner as may be thought expedient by the Board of Directors.”

“**RESOLVED FURTHER THAT** on behalf of the Board of Directors of the Company, Mr. Dipak N. Patel (DIN 02052080), Managing Director and/or any one of the Director of the Company be and is/are hereby jointly/severally authorized to do such acts/deeds and things and to sign/seal/execute and deliver all such documents, agreements, assignment, conveyances, deeds and writings as may be necessary for the expedient and incidental there to give aforesaid resolution and for the matter connected with and incidental there to.”

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

“**RESOLVED THAT** pursuant to the Provisions of Section 180 (1)(C) of the Companies Act, 2013 and the Rules made there under and all applicable provisions, for the time being in force subject to the enabling provisions of Memorandum and Articles of Association of the Company, Consent of the Company be and is here by accorded to the Board of Directors of the Company to Borrow monies for the purpose of business of the Company from any Bank, Financial Institution or any person, such sum or sums monies as they may deem necessary, notwithstanding the fact that the monies so borrowed from time to time apart from temporary loans obtained by the Company exceed the aggregate of the paid up capital of the Company and its free reserves i.e reserves not set apart for any specific purpose, provided that the total outstanding amount of such borrowings shall not exceed ` 15 Crores (Rupees Fifteen Crores only) over and above the aggregate of paid up capital of the Company and its Free reserves at any time.”

“**RESOLVED FURTHER THAT** on behalf of the Board of Directors of the Company, Mr. Dipak N. Patel (DIN 02052080), Managing Director and/or any one of the Director of the Company be and is/are hereby jointly/severally authorized to do such acts/deeds and things and to sign/seal/execute and deliver all such documents, agreements, assignment, conveyances, deeds and writings as may be necessary for the expedient and incidental there to give aforesaid resolution and for the matter connected with and incidental there to.”

By Order of the Board of Directors

Sd/-

Place : Indrad (Kadi)
Date : 30th May, 2014

Dipak N. Patel
Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY MUST BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.

A person can act as Proxy on behalf of the members not exceeding fifty and holding the aggregate not more than 10 percent of the total share capital of the company carrying voting right. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint as a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. Corporate members intending to send their authorised representative to attend the meeting are requested to send to the company a certified copy of the Board Resolution authorize their representative to attend and vote on their behalf at the meeting.
3. The Register of members and Share transfer book of the Company will remain closed from 26th September, 2014 to 30th September, 2014 (Both days inclusive).
4. Members seeking any further information are requested to write to the Company at least 10 days before the meeting so as to enable management to keep the information ready at the meeting.
5. Members/Proxies are requested to bring with them duly filled attendance slip for attending the meeting.
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.
7. Members are requested to intimate the Company's Registrar & Share Transfer Agent at **LINK INTIME INDIA PRIVATE LIMITED** 303, Shopper Plaza,V – Opp. Municipal Market,Off. C.G. Road, Navrangpura, Ahmedabad – 380 009. **Telefax No : 91-79-26465179 Email:Ahmedabad@linkintime.co.in** in case:
 - (a) Shares are held in the same name or in the same order or names, but in more than one account to enable the Company to club the said accounts in to one account.
 - (b) Notify immediately the change in their registered address, if any, to the Company.
8. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
9. The relevant Explanatory Statement as required under Section 102 (1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
10. As the Company has adopted the practice of Green initiative, Members who have not registered their email addresses so far are requested to register their email address for receiving all communication including Annual Reports, Notices, Circulars, etc. from the Company electronically.
11. Voting through electronic means:
The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions through e-voting services provided by Central Depository Services (India) Limited (CDSL) as per agreement with the Company. The detailed circular on procedure of E voting is being attached.
12. For the benefit of members who do not have access to e-voting facility can use the postal ballot form is enclosed along with Annual Report.

By Order of the Board of Directors

Sd/-

Place : Indrad (Kadi)
Date : 30th May,2014

Dipak N. Patel
Managing Director

Crestchem Limited

Reg. office : 325, Indrad, Chhatral – Kadi,
Dist. : Mehsana – 382715, Gujarat.

Phone : +91-02764-277844 Email : info@crestchemlimited.in
CIN Number : L24100GJ1991PLC015530

CIRCULAR ON PROCEDURE OF E-VOTING

The Instructions for members for voting electronically are as under:

SECTION A - E-VOTING PROCESS -

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "CRESTCHEM LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the CRESTCHEM LIMITED on which you choose to vote.

- (xii) 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.
 - (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (xiv) 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.
 - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- In case of members receiving the physical copy:
- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - (B) The voting period begins September 25, 2014 (9.00 a.m.) and ends on September 27, 2014 (6.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 29TH August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS

- i) The e-Voting period commences on September 25, 2014 (9.00 a.m.) and ends on September 27, 2014 (6.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cutoff date (record date) of August, 29, 2014 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii.) The voting rights of shareholders shall be in proportion to their shares of the Paid Up Equity Share Capital of the Company.
- iii.) CS Dhara Shah, Practicing Company Secretary (Membership No.: ACS 30237; COP No: 11187) has been appointed as the Scrutinizer to scrutinize the e-Voting process.
- iv.) The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses



- not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any and submit forth with to the Chairman of the Company.
- v.) The Results shall be declared on the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.crestchemlimited.in and on the website of CDSL <https://www.evotingindia.co.in> within two days of the passing of the resolutions at the AGM of the Company and communicated to the BSE Limited, where the shares of the Company are listed.
 - vi.) The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.
 - vii.) For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
 - viii.) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to

helpdesk.evoting@cdslindia.com. They should also upload a scanned copy of the Board Resolution / Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the vote.

- ix. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- x. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors

Sd/-

Dipak N. Patel
Managing Director

Place : Indrad (Kadi)
Date : 28th August, 2014

Particulars of the Directors seeking appointment / re – appointment at the ensuing Annual General Meeting pursuant to Clause 49 of the Listing Agreement.

Name, Age and Qualification of the Director	Date of Appointment	Expert in functional Area	Names of the Companies in which he holds Directorships and Memberships of committee of the Board.
Shri Rajesh I. Mody	24th August, 2004	He is having wide business experience in the field of Retailing and marketing in Petroleum Products and other items	Director in : 1) CRESTCHEM LIMITED Committee Membership : Audit Committee 1) Crestchem Limited - Member Remuneration Committee 1) Crestchem Limited - Chairman Shareholders'/Investors' Grievances Committee 1) Crestchem Limited – Member
Shri Narendrakumar H. Patel	24 th August, 2004	He is having wide experience in the field of accounts, finance & marketing.	Director in : 1) CRESTCHEM LIMITED Committee Membership : Audit Committee 1) Crestchem Limited - Chairman Remuneration Committee 1) Crestchem Limited - Member Shareholders' / Investors' Grievances Committee 1) Crestchem Limited – Member
Shri H. L. Joshi	8 th December, 2011	He is having wide experience in the field of Marketing of chemicals, paints and of handling books distribution.	Director in : 1) CRESTCHEM LIMITED Committee Membership : Audit Committee 1) Crestchem Limited - Member Remuneration Committee 1) Crestchem Limited - Member Shareholders' / Investors' Grievances Committee 1) Crestchem Limited – Member

ANNEXURE TO THE NOTICE**Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 & also under Corporate Governance:****In respect of item No. : 2 & 4**

Shri Rajesh I. Mody (DIN – 02054117) is the Non-Executive Independent Director of your Company since 24th August, 2004. He is a graduate in science and is a businessman having wide experience in marketing.

Shri Rajesh I. Mody (DIN – 02054117) retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Rajesh I. Mody being eligible and offering himself for appointment is proposed to be appointed as independent director for Five Consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31,2019".

A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Rajesh I. Mody (DIN – 02054117) fulfills the condition specified in the Companies Act, 2013 and rules made there under for his appointment as an independent director of the Company. His continuing guidance is very valuable to your company. It will be in the interest of the company that Shri Rajesh I. Mody (DIN – 02054117) continues as a Director of the Company.

Except Shri Rajesh I. Mody (DIN – 02054117), being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 2 & 4.

The Board recommends the special resolutions set out at item no 2 & 4 of the notice for approval by the shareholders.

In respect of item No.: 5

Shri Narendrakumar H. Patel (DIN – 02054077) is the Non-Executive Independent Director of your Company since 24th August, 2004. He is a graduate in commerce and is a businessman having wide experience in accounts, finance & marketing.

Shri Narendrakumar H. Patel (DIN – 02054077), director liable to retire by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Shri Narendrakumar H. Patel (DIN – 02054077) being eligible and offering himself for appointment is proposed to be appointed as independent director for Five Consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31,2019".

A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Narendrakumar H. Patel (DIN – 02054077) fulfills the condition specified in the Companies Act, 2013 and rules made there under for his appointment as an independent director of the Company. His continuing guidance is very valuable to your company. It will be in the interest of the company that Shri Narendrakumar H. Patel (DIN – 02054077) continues as a Director of the Company.

Except Shri Narendrakumar H. Patel (DIN – 02054077), being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 5.

The Board recommends the special resolutions set out at item no 5 of the notice for approval by the shareholders.

In respect of item No. : 6

Shri H. L. Joshi (DIN – 05156058) is the Non-Executive Independent Director of your Company since 8th December, 2011. He is a BA (Honors), Diploma in Company Law and is a businessman having

experience in the area of Marketing of chemicals, paints and of handling books distribution since many years.

Shri H. L. Joshi (DIN – 05156058, director liable to retire by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Shri H. L. Joshi (DIN – 05156058) being eligible and offering himself for appointment is proposed to be appointed as independent director for Five Consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31,2019".

A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri H. L. Joshi (DIN – 05156058) fulfills the condition specified in the Companies Act, 2013 and rules made there under for his appointment as an independent director of the Company. His continuing guidance is very valuable to your company. It will be in the interest of the company that Shri H. L. Joshi (DIN – 05156058) continues as a Director of the Company.

Except Shri H. L. Joshi (DIN – 05156058), being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 6.

The Board recommends the special resolutions set out at item no 6 of the notice for approval by the shareholders.

In respect of item No. : 7 & 8 & 9

Pursuant to section 180 (1)(a) of the Act, consent of the Company, by Special Resolution, is required to be obtained by the Board of Directors to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking(s) of the Company. In current competitive times the Company has to remain abreast and relevant with respect to the changing technological and business environment. Hence, obsolete and/or inefficient plant/Machinery/ Buildings/facilities etc. which may not be well compliant with the current norms and systems may have to be disposed off from time to time and may have to be replaced by new modern Plant and Buildings. Many of the plant and machineries that the Company has are now about more than 20 years old and opportunity is likely and may come up in near future regards to sell, lease or otherwise dispose off of the part or whole or Substantially whole of the undertaking situated at 325, Indrad, Chhatral, Kadi Road, Kadi, Mehsana – 382715, to the benefit of the Company. Hence, this resolution is recommended by the Board of Directors to be passed by way of Special Resolution.

Also the invocation of security / mortgage by the lender may be regarded as a disposal of the undertaking of the Company in favour of the institution/ Bank, it is necessary for members to pass special resolution under section 180(1)(a) and section 179 of the Companies Act, 2013 before creation of the said charges / mortgages. Hence, this resolution is recommended by the Board of Directors to be passed by way of Special Resolution.

For the Growth of the business, the Board is of the opinion that the company may, in near future require to borrow funds for both organic and inorganic growth. Hence, in compliances to requirements of section 180 (1)(C) or other applicable provision of the companies Act, 2013 the Board of Directors recommended and this resolution to be passed by way of special resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 7, 8 & 9.

The Board recommends the special resolutions set out at item no 7, 8 & 9 of the notice for approval by the shareholders.

By Order of the Board of Directors

Sd/-

Place : Indrad (Kadi)
Date : 30th May,2014

Dipak N. Patel
Managing Director



DIRECTOR'S REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the **TWENTY SECOND ANNUAL REPORT** together with the Audited Accounts of the Company for the period of 12 months ended on 31st March, 2014.

1. FINANCIAL RESULTS

	(` In Lacs)	
	As at 31-03-2014 (12 Months)	As at 31-03-2013 (12 Months)
Operating Profit / (Loss) (before interest and depreciation)	8.18	2.47
Less : Interest	2.42	1.94
Profit / (Loss) before depreciation	5.76	0.53
Less : Depreciation	8.35	8.52
Profit / (Loss) before Tax	(2.59)	(7.99)
Less : Provision for Taxation / FBT.	0.00	0.00
(Excess)/ Short Provision for earlier year	(0.007)	0.00
Profit/(Loss) after Tax	(2.59)	(7.99)
Amount of Profit and Loss A/c brought forward	(256.66)	(248.67)
Amount available for appropriations carried to Balance Sheet	(259.25)	(256.66)

2. DIVIDEND

Your directors regret their inability to recommend any dividend on the equity shares in view of the losses during the period under review.

3. OPERATIONS

The Operations remained sub-optimal due to financial constraints and the time which was required to be devoted in technically perfecting the products / formulations, in the potential nutraceutical – Enteral and Pediatric nutrition field. However, during the year substantial technical work was completed on updating the existing products as also expanding the number of products in the industrial food ingredients product range. Also new products which will be introduced in the subsequent years in branded retail packages have been technically perfected and will add to our product lines, whereby there will be better profitability in subsequent years. The Company has also applied for Trademarks on these products and out of them one trademark has already been approved by the Trademark authority in India.

4. DIRECTORS

The terms of all the directors except the Managing Director are subject to retirement by rotation. Now, The Companies Act, 2013 provides that independent Directors are not liable to retire by rotation and their term of appointment can be up to five consecutive years. Accordingly, Mr. Rajesh I. Mody, Mr. Narendrakumar H. Patel, Mr. H.L Joshi being independent directors is being appointed for a term of Five years.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri Rajesh I.

Mody a Director of the Company, retires by rotation and being eligible offers himself for re-appointment.

5. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

6. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (b) Appropriate accounting policies have been selected and applied so as to give a true and fair view of the state of affairs of the Company as at March, 31st 2014 and of the loss of the Company for that period.
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The annual accounts have been prepared on a going concern basis.

7. DEPOSITS

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

8. FINANCE

The accumulated losses of the company are in excess of 50% of the net worth, as on 31st March, 2014. The company is not a sick industrial undertaking within the clause (O) of sub clause (i) of section 3 of sick industrial companies (Special Provision) Act, 1985. However, it is potentially sick under the meaning of section 23 of the said Act, and accordingly, as on date, no reference is made to the Board for Industrial and Financial Reconstruction. The said loss includes non cash – depreciation charges. Also the company has no outstanding term loans or working capital loans or any kind of loans from banks or financial institutions. There are no outstanding interest payments on above.

- a. To tide over companies current financial difficulties, at the request of the company, the Directors of the company have given unsecured interest free loans from time to time from their own funds to help the company to re-structure its operations.
- b. The company has not incurred any cash losses during the year 2011-2012, 2012-13 & 2013- 2014.

9. AUDITORS

M/s. Talati & Talati, Chartered Accountants, Ahmedabad, the auditors of the Company retire at the conclusion of the ensuing Annual General Meeting. They are eligible for re-appointment and have furnished certificate to the effect that their appointment, if made, will be in accordance with the limits specified in Section 139 and 141 of the Companies Act, 2013. Your Directors recommend their re-appointment.

In the opinion of directors, the observations made in the Auditor's Report are self Explanatory and the notes to the accounts are self explanatory and adequately explain the matters, which are dealt with by the auditors.

10. COST AUDIT

The Company has not maintained Cost Accounting Records required to be maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 233B of the Companies Act, 2013. However, the Company is actively in the process of preparing the Cost records as required above and M/s. Vishal Yagnik & Associates, Cost Accountants, Ahmedabad, are appointed as Cost Auditors of the Company for the Financial year ended 31st March, 2014.

11. PARTICULARS OF EMPLOYEES

There is no employee attracting the provisions of section 217(2A) of the Act, read with the rules made there under.

12. INFORMATION REGARDING CONSERVATION OF ENERGY ETC.

Information required u/s. 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 form part of this report. However, as per the provisions of section 219(1)(b) (iv), the reports and accounts are being sent to all shareholders

of the Company excluding the information relating to conservation of energy, foreign exchange earnings and outgo, and the statement of particulars of employees. Any shareholder interested in obtaining such particulars may write to the Director / Company Secretary at the Registered Office of the Company.

13. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report & practices followed by the Company are indicated separately in the Annexure B forming part of this report. A certificate from the Practicing Company Secretary of the Company, regarding the conditions of corporate governance as stipulated under clause 49 of the listing agreement is annexed to this report.

14. COMPLIANCE CERTIFICATE

The compliance certificate issued by the Company Secretary in whole time practice as prescribed under provision to Section 383A(1) of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001 is attached with this Report.

15. INDUSTRIAL RELATIONS, SAFETY AND ENVIRONMENT

During the year under review, the industrial relations remained harmonious and cordial. The Directors wish to place on record the unstinted efforts and dedicated services extended by the employees at all levels. With their support the Company looks forward to a brighter future.

16. ACKNOWLEDGEMENT

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

For and on behalf of the Board

Sd/-

Dipak N. Patel
Managing Director

Place : Indrad (Kadi)
Date : 30th May, 2014



ANNEXURE A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development:

Your Company is engaged in the field of Processing / Job working / Manufacturing, of specialty chemical ingredients, in dry powder forms, finding applications as a nutritious (or as a edible additive) raw material, in dry re-constitutable food and pharmaceutical recipes. Commercially, at times known as the nutraceutical Industry products or as Enteral Nutritional Industry raw materials, Health Food Industry raw material etc.

Opportunities, Threats, Risk and Concerns:

This is a developing field, emerging out of the fusion of certain aspects of three industries, namely The Chemical – The Food – The Pharmaceutical Industry, with an opportunity of growth. But currently the cost of manufacturing and marketing is high, as volume of business is low, since the concept has yet to catch-up In India, as compared to certain countries abroad, which is a kind of threat to the viability, at least for the time being. The risk is that the “off-the shelf ready to use packaged products” which are costly and targeted to the modern life, depends on how fast the purchasing power of Indian Mass Public improves. Currently our concerns are to find customers /Job work customers in this field who can give us remunerative prices. The management now feels optimistic to find the same, which was difficult to find till now.

Financial Performance With Respect To Operational Performance:

The Operations remained sub-optimal due to financial constraints and the time which was required to be devoted in technically perfecting the products / formulations, in the potential nutraceutical – Enteral and Pediatric nutrition field. However, during the year substantial technical work was completed on updating the existing products as also expanding the number of products in the industrial food ingredients product range. Also new products which will be introduce in the subsequent years in branded retail packages have been technically perfected and will add to our product lines, whereby there will be better profitability in subsequent years. The Company has also applied for Trademarks on these products and out of them one trademark has already been approved by the Trademark authority in India.

Internal Control Systems and their adequacy:

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

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

Human Resource / Industrial Relations:

Your Company believes that it is the employee's skills and capabilities which will provide the necessary cutting edge to face challenges and market competition. Your Company re-emphasizing philosophy that employee well-being is extremely important, welfare activities have been given a boost. Your Company strives to maintain a professional work environment where every employee feels satisfied and appreciated.

Business Outlook:

The growth of our Companies business depends upon several factors as discussed above. However, management visualizes that, shortly time will come in which we will be able to introduce new formulations and the same will, get properly accepted in the market, looking at some improvement in purchasing power of Indian Mass Public.

Cautionary Statement:

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

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

ANNEXURE - B
CORPORATE GOVERNANCE

[Pursuant to clause 49 of the listing agreement with the Stock Exchange.]

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

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

2. BOARD OF DIRECTORS:

(a) Composition of Board :

The Board of directors of the Company consists of 4 directors out of which there is one Managing Director and 3 Non Executive directors, who are eminent personnel with wide range of skills and experience in business, finance and law. The Board comprises of 3 independent directors. The Board normally meets once in a quarter, and additional meetings are held as and when required.

(b) Details of attendance of each director at the Board Meetings and the last Annual General Meeting (AGM), with particulars of their other directorship, and chairmanship / Memberships of board / committees :

	Directors	Category	Attendance Particulars		No. of other Directorships and other committee memberships / chairmanships held in other public Ltd. Companies.		
			Board Meeting	Last AGM	Directorships	Committee Memberships	Committee Chairmanship
1	Mr. Dipak Patel	Managing Director	4	Yes	-	-	-
2	Mr. Rajesh I. Mody	Non-executive Independent Director	4	Yes	-	-	-
3	Mr. Narendrakumar H. Patel	Non-executive Independent Director	4	Yes	-	-	-
4	Mr. H. L. Joshi	Non-executive Independent Director	4	Yes	-	-	-

(c) No. of Board meeting held and dates on which held :

Four Board Meetings were held during the year ended March, 2014 viz. on 30th May, 2013, 09th August, 2013, 22nd November, 2013 and 07th February, 2014.

BOARD COMMITTEES

3. AUDIT COMMITTEE:

The Audit Committee was constituted on 15-03-2003 consisting of three directors. The quorum is 2 members. The terms of the reference of the Audit committee include approving and implementing the audit procedures and techniques, reviewing the financial reporting system, internal control systems, ensuring compliance with the regulatory guidelines, and reviewing the risk management policies of the Company. The Audit committee met prior to the finalization and approval of accounts for the year ended on 31st March, 2014. The committee has full access to all accounting records of the company.

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

Name of the Members	Designation and Category	Profession	Attendance at the Audit Committee meeting held on			
			30 th May, 2013	9 th Aug, 2013	22 nd Nov, 2013	07 th Feb, 2014
Mr. Narendrakumar H. Patel	Chairman of the committee and non-executive Independent Director	Graduate in Accounts (Commerce) and having experience of Sr. Accountancy and Finance, besides marketing experience.	Yes	Yes	Yes	Yes
Mr. Rajesh I. Mody	Member of the committee and non-executive Independent Director	Graduate in Science and experienced businessman	Yes	Yes	Yes	Yes
Mr. Dipak N. Patel	Managing Director	Graduate in Science and MBA having Sr. Management experience.	Yes	Yes	Yes	Yes

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



4. REMUNERATION COMMITTEE : (NON-MANDATORY)

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

Name of the Members	Designation and Category	Attendance at the Remuneration Committee meeting held on 07 th February, 2014
Mr. Rajesh I. Mody	Chairman of the Committee and Non-executive Independent Director	Yes
Mr. Narendrakumar H. Patel	Member and Non-executive Independent Director	Yes

One Remuneration Committee meeting was held during the year. The quorum was two members.

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

5. SHAREHOLDERS' / INVESTORS' GRIEVANCES COMMITTEE:

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

Name of the Members	Designation and Category	Attendance at the Shareholder's/ Investor's Grievances meeting held on			
		30 th May, 2013	09 th Aug, 2013	22 nd Nov, 2013	07 th Feb, 2014
Mr. Narendrakumar H. Patel	Member of the committee and non-executive Independent Director	Yes	Yes	Yes	Yes
Mr. Rajesh I. Mody	Member of the committee and non-executive Independent Director	Yes	Yes	Yes	Yes
Mr. H. L. Joshi	Member of the committee and non-executive Independent Director	No	No	No	Yes

No Complaints of significant nature were received during the period 12 months ended on 31st March, 2014 and necessary actions were taken. Mr. Dipak N. Patel, Managing Director of the Company who is also appointed as Compliance Officer of the Company.

6. GENERAL BODY MEETINGS:

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

Financial Year	Date	Time	Location of the Meeting	Any Special Resolution Passed
2010-2011 (12 Months Period)	30/09/2011	05.00 p.m.	NINETEENTH AGM at Regd. Office of the Company at : 325, INDRAD - 382721, Tal. : Kadi, Dist.: Mehsana, (North Gujarat)	No
2011-2012 (12 Months Period)	28/09/2012	05.00 p.m.	TWENTIETH AGM at Regd. Office of the Company at : 325, INDRAD - 382721, Tal. : Kadi, Dist.: Mehsana, (North Gujarat)	No
2012-2013 (12 Months Period)	30/09/2013	05.00 p.m.	TWENTYTH FIRST AGM at Conference Hall, Mahisagar Snack Point, Thol Road, Tal. : Kadi, Dist.: Mehsana, (North Gujarat)	Yes

7. MEANS OF COMMUNICATION:

- The quarterly, half yearly and full year results are prepared. Audited – annual reports are sent to the shareholders.
- Pursuant to the requirement of Clause 47 (F) of the Listing Agreement, the company has also created email address for making investor's grievance directly i.e. investor@crestchemlimited.in
- The management discussion and analysis report forms part of Directors Report.
- Quarterly and annual results are published in Gujarati and English News papers.
- The data and information relating to the Company can be accessed from the following websites : www.crestchemlimited.in.

8. GENERAL SHAREHOLDER INFORMATION:
(i) Annual General Meeting

Day, Date & Time : Tuesday, 30th September, 2014 at 5.00 p.m.
 Venue : Conference Hall, Sankalp Express, Thol Road, Kadi, Taluka: Kadi, District - Mehsana: 382 715 (NORTH GUJARAT)

(ii) Financial Calendar period : 01-04-2013 to 31-03-2014
(iii) Date of Book Closure : 26th September, 2014 to 30th September, 2014 (Both days inclusive)
(iv) Listing on Stock Exchange :
(a) The Stock Exchange Mumbai (BSE)

All Annual listing fees to BSE have been paid up to the Financial Year 2013-2014. Bombay Stock Exchange (BSE) has granted permission to commence Trading of Shares of CRESTCHEM LIMITED with effect from 01st October, 2012, on BSE Platform and Trading has also commenced in due course thereafter.

(b) The Delhi Stock Exchange Ltd (DSE)

All Annual listing fees to DSE have been paid up to financial year 2012-2013. Under the Amnesty Scheme of DSE, the said stock exchange has revoked the suspension in the trading of securities of our company, to the benefit of our company. However, the DSE itself is yet not in operation. Hence, further fees are not paid during the year.

(v) Stock Code / Symbol :

Bombay Stock Exchange, (BSE) 526269

(vi) ISIN No. INE 293 N 01016 was granted by CDSL.
(vii) Market Price Data :
BSE (BOMBAY STOCK EXCHANGE)

Month	Highest (₹)	Lowest (₹)	BSE Sensex Highest	BSE Sensex Lowest	Number of shares traded
April, 2013	10.50	9.98	19622.68	18144.22	700
May, 2013	10.47	10.47	20,443.62	19,451.26	300
June, 2013	10.99	10.40	19,860.19	18,467.16	400
July, 2013	—	—	20,351.06	19,126.82	—
August, 2013	11.00	10.50	19,569.20	17,448.71	800
September, 2013	12.00	11.55	20,739.69	18,166.17	3600
October, 2013	11.95	11.95	21,205.44	19,264.72	1000
November, 2013	—	—	21,321.53	20,137.67	—
December, 2013	—	—	21,483.74	20,568.70	—
January, 2014	—	—	21,409.66	20,343.78	—
February, 2014	—	—	21,140.51	19,963.12	—
March, 2014	12.54	12.50	22,467.21	20,920.98	200

(viii) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments

(ix) Registrar & Share transfer Agents :

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

LINK INTIME INDIA PRIVATE LIMITED

303, 3rd Floor, Shopper Plaza V, Opp. Municipal Market, Off. C. G. Road,

Navrangpura, Ahmedabad –380009

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

(x) Share Transfer System :

All the share related work is being undertaken by R & T Agent, LINK INTIME INDIA PRIVATE LIMITED. Ahmedabad whose address is given above. A Share Transfer Committee having the MD of the Company as one of the member of the said committee approves the share transfer, transmission, split and consolidation, among others, of shares. The Share Transfers are registered and returned within 15 days from the date of receipt if relevant document are complete in all respects/ The shareholders/ Investor' grievances are also taken up by our R & T Agent.



(xi) Share-Distribution Schedule as on 31-03-2014:

No. of Equity Shares	No. of Share holders	% of share holders	No. of Share held	% of share holding
1 - 5000	11049	95.2664	1573238	52.4413
5001 - 10000	339	2.92	287700	9.59
10001 - 20000	97	0.8364	156100	5.2033
20001 - 30000	2	0.5346	158200	5.2733
30001 - 40000	11	0.0948	41800	1.3933
40001 - 50000	9	0.0776	44500	1.4833
50001 - 100000	13	0.1121	106100	3.5367
100001 - 999999990	18	0.1552	632362	21.0787
Total	11598	100	3000000	100

52,600 shares are in Demat Mode and the rest are in Physical Mode.

(xii) Shareholding Pattern as on 31st March, 2014:

Category	No. of Shares	% of holding
Non-Resident Indians	26,400	0.88
Nationalized Banks	3900	0.13
Bodies Corporate	12,200	0.41
Directors	2,22,700	7.42
Relatives of Directors	53,0,400	17.68
Others	22,04,400	73.48
TOTAL	3000000	100.00

52,600 shares are in Demat Mode and the rest are in Physical Mode.

(xiii) Dematerialization of equity shares:

The Company has got permission for dematerialization of shares on 24th September, 2012 and ISIN Number was allotted to the Company. The Dematerialization process started thereafter and 52,600 shares are in dematerialized form, as on date.

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

(xiv) Plant Location :

Survey No. : 325
 Village : INDRAD
 Taluka : Kadi
 District : Mehsana – 382 715 (NORTH GUJARAT)
 Phone : 02764 – 277844

(xv) Address for Correspondence:

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

Name of the Company : **CRESTCHEM LIMITED**
 Survey No. : 325
 Village : INDRAD
 Taluka : Kadi
 District : Mehsana – 382 715 (NORTH GUJARAT)
 Phone : 02764 – 277844
 Email : info@crestchemlimited.in
 Website : www.crestchemlimited.in.

9. **DISCLOSURES:**(A) **Related party transactions**

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

(B) **Disclosure of accounting treatment**

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

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

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

- (D) **Management**
The Management Discussion and Analysis Report, published as a separate section of this report is prepared in accordance with the requirements laid out in Clause 49 of the Listing Agreement and forms part of the Annual Report. The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement. The risk management policies of the company are periodically reviewed by the Audit Committee of the Board of Directors of the company and by the Board. The risk management issues are mentioned in the Management Discussion and Analysis Report.
- (E) **Disclosure of Directors seeking appointment / reappointment**
The details pertaining to Directors seeking appointment / reappointment are furnished as Annexure to Notice convening the Annual General Meeting.
- (F) **Statutory Compliance**
Bombay Stock Exchange (BSE) has granted permission to commence Trading of Shares of CRESTCHEM LIMITED with effect from 01st October, 2012, on BSE Platform.
No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or other Statutory Authority, on any matter related to capital market.
- (G) **Whistle Blower Policy and affirmation that no personnel have been denied access to the audit committee.**
At present the Company has no whistle-blower policy. However, no personnel have been denied access to the audit committee or the Managing Director of the Company.
- (I) **CEO/CFO Certification**
As provided under Clause 49 of the Listing Agreement with the Stock Exchanges the Whole-time Director / Managing Director of the Company has certified to the Board, compliance with Clause 49 (V) regarding CEO/CFO certification only on an annual basis.
- (J) **Auditor's/ Practicing Company Secretaries Report on Corporate Governance**
Certificate from the Statutory Auditors or Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance, as stipulated in clause 49 of the Listing Agreement of the Bombay Stock Exchange in India, forms part of this report.
- (H) **None of the Shares of the Company are pledged or encumbered.**
10. **MANDATORY AND NON-MANDATORY REQUIREMENTS :**
- (a) **Status of compliance to the mandatory requirements :**
The Company has adopted mandatory requirements of compliances on Corporate Governance. A certificate from Mr. Dipak N. Patel, the managing director of the company was placed before the board detailing the compliances done. The Auditor's/ Company Secretary Certificate regarding compliances of Corporate Governance by the company is annexed to this Corporate Governance report.
- (b) **Status of compliance to the non-mandatory requirements :**
The Company, so far, has not adopted the non-mandatory suggestions of (1) sending six – monthly results information to each household of shareholders, (2) training of board members, (3) tenure of independent directors (4) mechanism of evaluating the performance of non-executive board members. The company has however adopted the non-mandatory suggestion of having a Remuneration Committee.
11. **SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL:**
A qualified practicing Company Secretary carried out quarterly secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirmed that the total issued / paid-up capital was in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
12. **CEO/CFO CERTIFICATION :**
Managing Director (CEO) and Chief Finance Officer (CFO) Certification
We Dipak N. Patel, Managing Director and CFO of Crestchem Limited, to the best of our knowledge and belief, certify that:
1. We have reviewed the balance sheet as at 31st March 2014 and Profit & Loss account, and all its schedules and Notes on accounts, as well as the cash flow statement and the Director's Report for the year ended on that date.
 2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact or do not contain any statement that might be misleading;
 3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as on, and for the year presented in this report and are in compliance with the existing accounting standards and /or applicable laws and regulations;
 4. To the best of our knowledge and belief, no transaction entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
 5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a. evaluated the effectiveness of the Company's disclosure, controls and procedures pertaining to financial reporting;
 - b. disclosed in this report any change in the Company's internal controls over financial reporting that occurred during the Company's most recent accounting year that may have materially affected, or is reasonably likely to affect, the Company's internal control pertaining to financial reporting.
 6. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors;



- a. Deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors, any material weakness in internal control over financial reporting including any corrective actions with regard to such deficiencies, if any;
 - b. Significant changes in internal controls during the year covered by this report, if any;
 - c. All significant changes in accounting policies during the year, if any and that the same have been disclosed in the notes to the financial statements;
 - d. No instances of significant fraud of which we are aware, involving management or other employees who have significant role in the Company's internal control system;
7. We further declare that all the Board Members and senior management personnel have affirmed compliance with the code of conduct during the year.

Place : Indrad (Kadi)
Date : 30th May, 2014

Dipak N. Patel
Managing Director & CFO

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

Certificate from Miss. Dhara S. Shah, Company Secretary, confirming compliance with the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement, is annexed to this report forming part of the Annual Report.

14. DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT :

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management personnel have confirmed compliance with the code of conduct for the financial year ended 31st March, 2014.

For and on behalf of the Board

Sd/-

Place : Indrad (Kadi)
Date : 30th May, 2014

Dipak N. Patel
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
CRESTCHEM LIMITED

We have examined the compliance of conditions of 'Corporate Governance' by CRESTCHEM LIMITED for the year ended March, 31, 2014 as stipulated in clause 49 of the Listing Agreement of the Company with the Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances was pending for a period of one month against the Company as per the records maintained by the Company.

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

For **DHARA SHAH & ASSOCIATES**
Company Secretary
(DHARA S. SHAH)
Proprietor
C. P. No. : 11187

Place : Ahmedabad
Date : 30th May, 2014

SECRETARIAL COMPLIANCE CERTIFICATE

[Pursuant to provision to Section 383-A(I) of the Companies Act, 1956, read with Companies (Compliance Certificate) Rules, 2001]

Registration No. : L24100GJ1991PLC015530

Nominal Capital : ` 4,00,00,000/-

Paid-up Capital : ` 3,00,00,000/-

To,
The Members
Crestchem Limited

I have examined the registers, records, books and papers of CRESTCHEM LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2014. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure "B" to this certificate. The Company was not required to file any forms and returns with Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a Public company no comments is required to be made.
4. The Board of Directors duly met 4 (four) times on 30th May, 2013, 09th August, 2013, 22nd November, 2013 and 07th February, 2014 in respect of which proper notice were given and the proceedings were properly recorded and signed Minutes Book are maintained for the purpose. However, as informed to us the Company has not passed any circular resolutions.
5. The Company had closed its Register of Members from 26th September 2013 to 30th September 2013 and necessary compliance of Section 154 of Act had been made.
6. The annual general meeting for the financial year ended on 31st March 2013 was held on 30th September 2013 after giving due notice to the members of the Company and the resolutions passed thereafter were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its directors and/ or persons or firms or companies referred in the Section 295 of the Act, during the financial year.
9. The Company has not entered into any contracts/transaction falling within the preview of Section 297 of the Act during the financial year.
10. The Company has made necessary entry in the Register maintained under Section 301 of the Act.
11. The provision of Section 314 of the Act was not applicable to the Company during the financial year.
12. The Company has not issued any duplicate share certificates.
13. The Company has :
 - (a) The Company has made transfers of shares but no transmission of shares was made during the financial year.
 - (b) As no dividend was declared, hence the provisions as to depositing the amount of dividend in a separate Bank Account are not attracted.
 - (c) As no dividend was declared, hence any payment/posting of warrants for dividend to any of the members.
 - (d) There was no unpaid or unclaimed dividend in any of the previous year's nor there was any amount on account of application money due for refund, matured deposits, matured debentures and the interest accrued thereon which remained unclaimed or unpaid for a period of seven years and hence the Company is not required to transfer the same to Investor Education and Protection Fund.
 - (e) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was change in the Board of Directors during the financial year.
15. The Company is having paid up capital less than ` 5 Crore, the provisions of Section 269 of the Act was not applicable during the financial year.
16. The Company has not appointed sole-selling agents during the financial year.
17. As per explanation and information given to us the Company was not required to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
18. The Directors have given notices in regard to disclosures of their interest in other firms / companies.
19. The Company has not issued any shares / debentures during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares and / or debentures during the financial year.



22. There were no transactions necessitating a company to keep in abeyance rights to dividend, rights to shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A and 58AA read with Companies (Acceptance of Deposits) Rules, 1975, during the financial year.
24. The Company has taken unsecured loans from directors.
25. The Company has not made any loans and advances or investments in other bodies corporate. Further the Company has not given any guarantee nor provided security to any body corporate during the financial year.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the financial year.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the financial year.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the financial year.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the financial year.
30. The Company has not altered the provisions of its Articles of Associations during the financial year.
31. No prosecution was initiated against the company. No fines and no penalties have been imposed on the company, during the financial year.
32. As per information given to me the Company has not received any money as security from its employee during the financial year.
33. As per information given to me the Company has not constituted the Provident Fund for its employees within the meaning of the provisions of Section 418 of the Act.

Place : Ahmedabad
Date : **30th May, 2014**

For **DHARA SHAH & ASSOCIATES**
Company Secretary
(DHARA S. SHAH)
Proprietor
C. P. No. : **11187**

ANNEXURES FORMING PART OF COMPLIANCE CERTIFICATE

ANNEXURE : "A"**Registers as maintained by the Company:**

1. Register of Members u/s. 150 of the Act.
2. Minutes Book of Board Meetings u/s. 193 of the Act.
3. Minutes Book of the General Meetings u/s 193 of the act.
4. Register of Disclosure of Interest u/s. 299 of the Act.
5. Register of Contracts, Companies, and Firms in which directors are interested u/s. 301 of the Act.
6. Register of particulars of Directors etc. u/s. 303 of the Act.
7. Register of Directors Shareholding u/s. 307 of the Act.
8. Other Registers :

Register of Transfer

Register of Attendance of Directors for Board Meeting

Register of Attendance of Members for AGM/EGM.

ANNEXURE: "B"

Forms and returns were filed by the Company with the Registrar of Companies during year ending 31st March 2014:

With Registrar of Companies:

1. Form No. 66 for the financial year ended on 31/03/2013 was filed on 01/10/2013.
2. Form No. 23AC and 23ACA XBRL for the financial year ended on 31/03/2013 was filed on 11/10/2013.
3. Form No. 20 B for the financial year ended on 31/03/2013 (AGM: 30/09/2013) was filed on 14/11/2013.
4. Form 23B for the financial year ended on 31/03/2013 was filed on 12/10/2013.
5. Form 23 was filed on 30/10/2013.

With Regional Director: NIL – N.A.

With Central Government: NIL – N.A.

For **DHARA SHAH & ASSOCIATES**

Company Secretary

(DHARA S. SHAH)

Proprietor

C. P. No. : 11187

Place : Ahmedabad
Date : **30th May, 2014**



INDEPENDENT AUDITORS' REPORT

To the Members of
CRESTCHEM LIMITED
Indrad(Kadi)

Report on the Financial Statements

We have audited the accompanying financial statements of Crestchem Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that gives a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with this Report comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of the written representations received from the directors as on 31st March, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For TALATI & TALATI
Chartered Accountants
(Firm Reg. No 110758W)

(UMESH H. TALATI)
PARTNER
M.NO. 34834

AHMEDABAD
DATE: 30th May, 2014

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT :

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- (i) (a) *As per the information and explanation given to us, records of Fixed Assets maintained by the company have been destroyed in heavy water logging during the year. The Company is in the process of preparing records showing full particulars including quantitative details and general location of fixed assets.*
- b) Majority of the assets has been physically verified by the management during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As the company is in the process of preparation of Fixed Asset records, We are unable to comment on any discrepancies between Fixed Asset as per records and as per physical verification.
- c) During the year, the Company has not disposed off any major part of the Fixed Assets.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) On the basis of our examination of the records of the company, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

- (iii) In respect of Loans secured or unsecured , granted or taken by company to/from companies, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
- (a) The company has not granted any unsecured loan to any companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Hence the provisions of Clause (iii) (a), (b), (c) and (d) are not applicable to the company.
- (e) The Company has taken interest free unsecured loan from parties listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 3,902,598/- and the year end balance of loan taken from such parties was Rs. 3,902,598/-.
- (f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loans have been taken from parties listed in the register maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- (g) The company is not paying interest on loans and principal amount is repayable on demand.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weaknesses have been noticed in the internal controls.
- (v) (a) To the best of our knowledge and according to information and explanations given to us, we are of the opinion that the contracts or arrangements that need to be entered in to the register required to be maintained under section 301 of the companies act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public and hence the provisions of Section 58A, 58AA and other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable.
- (vii) In our opinion, the internal audit system of the company is commensurate with its size and nature of its business.
- (viii) The Company has not maintained Cost Accounting Records required to be maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956.
- (ix) (a) The company does not have any employees therefore it does not have any provident fund liability during the current year. However, the company is regular in depositing other statutory dues applicable to it. According to the information and explanations given to us and on the basis of records produced before us FBT of ` 42,540/- & TDS of ` 15,457/- are outstanding for more than six months. Except above there are no undisputable amount payable in respect of
- Income Tax, Wealth Tax, Sales Tax, custom duty and excise duty and cess were outstanding as at 31st March, 2014 for a period of more than six months from the date they become payable.
- (b) According to the records of the company, there are no dues of Sales Tax, Income Tax and Excise Duty and Cess which have not been deposited on account of any dispute.
- (x) The accumulated losses of the company at the end of the financial year are in excess of 50% of its net worth. The company has not incurred cash loss during the financial year covered by our audit and in the immediately preceding previous year.
- (xi) In our opinion and according to information and explanation given to us the Company has not defaulted in repayment of dues to a Bank.
- (xii) The company has not granted any loans against security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi mutual benefit fund/ society. Therefore, the provisions of this clause is not applicable to the company.
- (xiv) The company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of this clause of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) In our opinion the company has not given any guarantee for loans taken by others from bank or financial institution hence the provision of this clause is not applicable to the company.
- (xvi) According to the information and explanations given to us, the company has not raised any term loans during the year and hence in our opinion this clause is not applicable to the company
- (xvii) In our opinion and according to the information and explanation given to us and overall examination of the balance sheet of the company we report that no funds raised on short term basis has been used for long term investment by the company.
- (xviii) The company has not made any preferential allotment of shares to any parties and companies covered under the register maintained u/s 301 of the Act.
- (xix) During the period covered by our audit report, the company has not issued any debentures.
- (xx) The company has not raised any money out of public issue during the period covered by our report.
- (xxi) We report that no fraud on or by the company has been noticed or reported during the course of our audit.

For TALATI & TALATI
Chartered Accountants
(Firm Reg. No 110758W)

AHMEDABAD
DATE: 30th May, 2014

(UMESH H. TALATI)
PARTNER
M.NO. 34834



BALANCE SHEET AS AT 31ST MARCH 2014

Particulars	Refer Note No.	Amount in Rs.	
		As at March 31,2014	As at March 31,2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	3,00,00,000	3,00,00,000
(b) Reserves and Surplus	3	(2,59,24,495)	(2,56,65,201)
(2) Current Liabilities			
(a) Short-term borrowings	4	39,77,598	30,20,598
(b) Trade payables	5	23,65,978	3,42,450
(c) Other current liabilities	6	22,42,261	21,88,219
(d) Short-term provisions	7	3,22,720	3,07,935
Total		1,29,84,062	1,01,94,001
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	46,07,918	54,43,306
(b) Other non-current assets	9	2,18,626	20,28,000
(2) Current assets			
(a) Inventories	10	22,750	1,44,096
(b) Trade receivables	11	40,74,611	3,01,478
(c) Cash and cash equivalents	12	20,17,346	3,19,323
(d) Short-term loans and advances	13	5,90,451	4,98,901
(e) Other Current Asset	14	14,52,360	14,58,897
Total		1,29,84,062	1,01,94,001

The accompanying notes are an integral part of these financial statements. 1 to 34

As per our separate report of even date attached.

For Talati & Talati

Chartered Accountants
(Firm Reg No: 110758W)

Umesh H. Talati

Partner
Mem. No. 34834

Place : Ahmedabad
Date : 30/05/2014

For and on behalf of the Board of Directors

sd/-
Dipak N. Patel
Managing Director
(DIN – 02052080)

sd/-
Narendrakumar H. Patel
Director
(DIN – 02054077)

Place : INDRAD (Kadi)
Date : 30/05/2014

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st March 2014

		Amount in Rs.	
Particulars	Refer Note No.	2013-14	2012-13
I. Revenue From Operations			
Sale of products	15	32,97,380	8,82,308
Sale of services		8,79,240	-
<u>Less:</u>			
Excise duty		-	-
		<u>41,76,620</u>	<u>8,82,308</u>
II. Other income	16	3,44,286	21,55,904
III. Total Revenue (I + II)		<u>45,20,906</u>	<u>30,38,212</u>
IV. Expenses:			
Cost of materials consumed	17	19,61,155	2,72,306
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	18	7,540	1,62,488
Employee benefits expense	19	6,09,850	5,91,000
Finance costs	20	2,42,572	1,94,223
Depreciation and amortization expense	8	8,35,389	8,51,548
Other expenses	21	11,22,952	17,65,476
Total expenses		<u>47,79,458</u>	<u>38,37,041</u>
V. Profit before tax (III- IV)		<u>(2,58,552)</u>	<u>(7,98,829)</u>
VI Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) (Excess) / Short Provision for earlier year		(742)	-
		-	-
VII Profit (Loss) for the period		<u>(2,59,294)</u>	<u>(7,98,829)</u>
VIII Earnings per equity share:			
Basic & Diluted		(0.09)	(0.27)

The accompanying notes are an integral part of these financial statements. 1 to 34

As per our separate report of even date attached.

For Talati & Talati

Chartered Accountants
(Firm Reg No: 110758W)

Umesh H. Talati

Partner
Mem. No. 34834

Place : Ahmedabad
Date : 30/05/2014

For and on behalf of the Board of Directors

sd/-

Dipak N. Patel
Managing Director
(DIN – 02052080)

sd/-

Narendrakumar H. Patel
Director
(DIN – 02054077)

Place : INDRAD (Kadi)
Date : 30/05/2014

**NOTE : 1****1) SIGNIFICANT ACCOUNTING POLICIES****a) Basis for preparation of accounts :**

The financial statements are prepared under the historical cost convention and comply with the applicable Accounting Standards and the relevant provisions of the Companies Act, 1956.

b) Use of estimates :

The presentation of the Financial Statements in conformity with the Generally Accepted Accounting policies requires the management to make estimates and assumptions that affect the reported amount of Assets and Liabilities, Revenues and Expenses and disclosure of contingent liabilities. Such estimation and assumptions are based on management's evaluation of relevant facts and circumstances as on date of Financial Statements. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

c) Revenue Recognition :

Sales are stated net of rebate and trade discount and excludes Central Sales Tax, State Value Added Tax. With regard to sale of products, income is reported when practically all risks and rewards connected with the ownership have been transferred to the buyers. This usually occurs upon dispatch, after the price has been determined.

d) Fixed Assets :

Fixed Assets are stated at cost net of Cenvat / Value Added Tax and includes amount added on revaluation, less accumulated depreciation and impairment loss if any. All costs, including financing costs till commencement of commercial production.

e) Depreciation:

Depreciation has been provided on Straight line method at the rates and in the manner specified in schedule XIV to the Companies Act, 1956

f) Inventories:

Inventories of raw materials and finished goods are valued at cost or Net Realizable Value whichever is lower. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and to make sale.

g) Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

h) Taxes of Income

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred tax is recognized on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed at each Balance Sheet date to reassess realization.

i) Provisions, Contingent Liabilities and 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 an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement.

j) Earning Per Share:

Basic earning per share is calculated by dividing the Net Profit After Tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares issued during the year. Diluted Earning Per Share is calculated by dividing the Net Profit attributed to the Equity Shareholders (after adjustment for diluted earnings) by average number of weighted Equity shares outstanding during the year.

k) Cash and Cash Equivalents :

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

	As at March 31, 2014	As at March 31, 2013
2 SHARE CAPITAL :		
<u>Authorised Capital:</u>		
40,00,000 Equity Shares of ` 10/- each (PY 40,00,000 Equity Shares of ` 10/- each)	4,00,00,000	4,00,00,000
<u>Issued, Subscribed & Fully Paid up Capital :</u>		
30,00,000 Equity shares of ` 10/- each fully paid (PY 30,00,000 Equity Shares of ` 10/- each fully paid)	3,00,00,000	3,00,00,000
	<u>3,00,00,000</u>	<u>3,00,00,000</u>

(a) Reconciliation of number of shares :

	As at March 31, 2014		As at March 31, 2013	
	No of Shares	Amount	No of Shares	Amount
Equity shares:				
Shares outstanding at the beginning of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Add: shares issued during the year	-	-	-	-
Add : Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000

(b) Details of share holders holding more than 5% shares in the company:

Sr No.	Name of share holders	As at March 31, 2013		As at March 31, 2012	
		No of Shares held	% of holding	No of Shares held	% of holding
1	Narendraprasad C Patel	3,03,900	10.13%	3,03,900	10.13%
2	Dipak N. Patel	2,22,700	7.42%	2,16,700	7.22%

(c) Terms/rights, preferences and restrictions attached to securities:

Equity Shares:

The company has only one class of equity shares having a face value or ` 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

During the year ended 31st March 2014 the amount of per share dividend recognized as distributions to equity shareholders is ` 0/-.

In the events of liquidation of the company, the holders of equity shares will be entitled to remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportions to the number of equity share held by the shareholders.

	As at March 31, 2014	As at March 31, 2013
3 RESERVES & SURPLUS :		
<u>Surplus in Statement of Profit & Loss Account</u>		
Balance as per last accounts	(2,56,65,201)	(2,48,66,372)
Profit for the year	(2,59,294)	(7,98,829)
Less: Appropriations		
Proposed dividend on Equity Shares for the year	-	-
Dividend distribution tax on Proposed dividend	-	-
Transfer to General Reserve	-	-
Total	<u>(2,59,24,495)</u>	<u>(2,56,65,201)</u>

4 SHORT TERM BORROWINGS:

Unsecured :

From Directors	39,02,598	29,45,598
From Others	-	-

Deposits

Trade deposits	75,000	75,000
Total	<u>39,77,598</u>	<u>30,20,598</u>

Terms of repayment for unsecured borrowings

The company has taken interest free loans and advances from Directors which is repayable on demand.



		Amount in Rs.	
		As at March 31,2014	As at March 31,2013
5	TRADE PAYABLES:		
-	Due to Micro Small & Medium Enterprises (*)	-	-
-	For Goods & services	18,43,924	1,64,286
-	Others	5,22,054	1,78,164
	Total	23,65,978	3,42,450
(*) In the absence of the complete information regarding the status of the suppliers as Micro, Small & Medium Enterprise as per the Micro, Small & Medium enterprise development Act, 2006, the information regarding the amount due to such parties as on the balance sheet date and provision for interest if any required by the said Act is not been made.			
6	OTHER CURRENT LIABILITIES:		
	Other Payables:		
-	Bank Over Draft	21,68,173	21,46,692
-	Statutory dues	73,479	40,802
-	Other Liabilities	609	725
-	Advance from Customers	-	-
	Total	22,42,261	21,88,219
7	SHORT TERM PROVISIONS:		
	Provision for employee benefits:		
	Provision for Provident Fund	-	-
	Provision for gratuity	2,62,895	2,62,895
	Others:		
	Provision for fringe benefit tax	42,540	42,540
	Provision For Exp.	17,285	2,500
	Total	3,22,720	3,07,935

Note - 8 : TANGIBLE ASSETS

Particulars	Land	Factory Building	Plant & Machinery	Electric Installation	Furniture & Fixtures	Office Equipment	Total
Cost of assets							
At 1 April 2012	1,45,354	60,20,457	1,33,89,031	3,12,837	5,65,982	41,295	2,04,74,956
Additions	-	-	59,850	-	-	-	59,850
Disposal / Adjustment	-	-	4,49,067	-	-	-	4,49,067
Exchange Differences	-	-	-	-	-	-	-
At 31 March 2013	1,45,354	60,20,457	1,29,99,814	3,12,837	5,65,982	41,295	2,00,85,739
Additions	-	-	-	-	-	-	-
Disposal / Adjustment	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-
At 31 March 2014	1,45,354	60,20,457	1,29,99,814	3,12,837	5,65,982	41,295	2,00,85,739
Depreciation							
At 1 April 2012	-	32,50,843	1,00,61,870	2,63,196	5,37,683	30,643	1,41,44,235
Charge for the year	-	2,01,083	6,33,643	14,860	-	1,962	8,51,548
Disposal / Adjustment	-	-	3,53,350	-	-	-	3,53,350
At 31 March 2013	-	34,51,926	1,03,42,163	2,78,056	5,37,683	32,605	1,46,42,433
Charge for the year	-	2,01,084	6,17,488	14,856	-	1,960	8,35,389
Disposal / Adjustment	-	-	-	-	-	-	-
At 31 March 2014	-	36,53,010	1,09,59,651	2,92,912	5,37,683	34,565	1,54,77,822
Net Block							
At 31 March 2013	1,45,354	25,68,531	26,57,651	34,781	28,299	8,690	54,43,306
At 31 March 2014	1,45,354	23,67,447	20,40,163	19,925	28,299	6,730	46,07,918

	<u>As at</u> <u>March 31,2014</u>	<u>As at</u> <u>March 31,2013</u>
9 OTHER NON - CURRENT ASSETS		
Fixed Deposit with maturity of more than 12 months	2,18,626	20,28,000
Total	<u>2,18,626</u>	<u>20,28,000</u>
10 INVENTORIES:		
(valued at lower of cost or net realizable value)		
Raw materials:	22,750	79,592
Packing materials	-	2,326
Oil	-	54,638
Finished goods	-	7,540
Total	<u>22,750</u>	<u>1,44,096</u>
11 TRADE RECEIVABLES:		
(Unsecured, considered good, unless otherwise stated)		
Outstanding for a period exceeding 6 months from the date they are due for payment	2,81,295	-
Others	37,93,316	3,01,478
Total	<u>40,74,611</u>	<u>3,01,478</u>
12 CASH AND BANK BALANCES:		
<u>Cash and cash equivalent :</u>		
Balance with Banks :		
- In Current accounts	818	4,531
(Deposit with maturity of less than 3 months)		
Cash on hand	16,528	1,04,792
	<u>17,346</u>	<u>1,09,323</u>
<u>Other bank balances:</u>		
Fixed Deposit with maturity of more than 3 months but less than 12 months	20,00,000	2,10,000
Fixed Deposit with maturity of more than 12 months	2,18,626	20,28,000
	22,18,626	22,38,000
Less : Amount disclosed under Other Non Current Assets (Note No. 10)	(2,18,626)	(20,28,000)
	<u>20,00,000</u>	<u>2,10,000</u>
Total	<u>20,17,346</u>	<u>3,19,323</u>
13 SHORT-TERM LOANS AND ADVANCES:		
Unsecured considered good, unless otherwise stated:		
Other loans and advances:		
- Advances recoverable in cash or kind	-	-
- Deposit to Suppliers	900	1,400
- Balances with government authorities	4,64,039	4,64,039
- Advance tax	1,25,512	33,366
- Prepaid Expense	-	96
Total	<u>5,90,451</u>	<u>4,98,901</u>
14 Other Current Asset		
Unsecured considered good, unless otherwise stated:		
Others :		
Intrest accrued on Fixed Deposit	22,360	28,897
Receivables for sale of Assets	14,30,000	14,30,000
Total	<u>14,52,360</u>	<u>14,58,897</u>



	<u>2013-14</u>	<u>2012-13</u>
15 REVENUE FROM OPERATIONS:		
<u>Sale of products</u>		
Corn FAT Powder	8,460	3,69,808
MCT FAT Powder	2,48,160	4,93,500
Groundnut FAT Powder	760	19,000
Calcium Caseinate	5,28,000	-
Sodium Caseinate	25,12,000	-
	<u>32,97,380</u>	<u>8,82,308</u>
<u>Sale of services</u>		
Commission	8,79,240	-
Total	<u>41,76,620</u>	<u>8,82,308</u>
16 OTHER INCOME:		
Interest Income	2,27,914	1,86,774
Scrap Sales	1,16,000	-
Other Non Operating Income :		
Interest Received on I.T.Refund	71	-
Profit on sale of other fixed assets	-	17,34,283
Sundry Balance written off	301	2,34,847
Total	<u>3,44,286</u>	<u>21,55,904</u>
17 COST OF MATERIALS CONSUMED:		
Opening Stock	79,592	71,170
	<u>79,592</u>	<u>71,170</u>
Add : Purchases	19,04,313	2,80,728
	<u>19,83,905</u>	<u>3,51,898</u>
Less : Closing Stock	22,750	79,592
Total	<u>19,61,155</u>	<u>2,72,306</u>
18 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Closing Stock		
Finished goods	-	7,540
Work in process	-	-
Total (A)	<u>-</u>	<u>7,540</u>
Opening Stock		
Finished goods	7,540	1,70,028
Work in process	-	-
Total (B)	<u>7,540</u>	<u>1,70,028</u>
Total (A-B)	<u>7,540</u>	<u>1,62,488</u>
19 EMPLOYEE BENEFITS EXPENSE:		
Salary & Wages	6,09,850	5,91,000
Total (A-B)	<u>6,09,850</u>	<u>5,91,000</u>
20 FINANCE COSTS:		
Interest Charges	2,39,574	1,89,877
Bank Charges	2,998	4,346
Total	<u>2,42,572</u>	<u>1,94,223</u>

	<u>2013-14</u>	<u>2012-13</u>
21 OTHER EXPENSES:		
Consumption of stores & spare parts	11,236	32,849
Consumption of Fuel	3,07,355	2,86,046
Consumption of packing materials	6,341	27,949
Factory Expense	6,725	19,401
<u>Repairs and maintenance :</u>		
Machinery	2,900	43,300
Building	7,935	65,674
Others	<u>7,078</u>	<u>14,213</u>
	17,913	1,23,187
Rates & Taxes	17,285	20,390
Travelling & Conveyence	21,911	28,249
Telephone Expense	18,143	21,179
Electricity Expenses	1,00,119	78,461
Stationary & Printing Expense	50,362	42,935
Audit Fees	60,674	60,674
Listing Fees	23,595	4,81,296
R.O.C fees	-	9,600
Rent Expense	-	2,100
Legal, Consultancy and Professional Fees	2,05,679	1,81,226
Miscellaneous expenses	2,07,003	1,47,166
Insurance Premium	96	1,276
Interest on Provident Fund	65,615	1,99,012
Interest on VAT	1,474	252
Interest on TDS	<u>1,426</u>	<u>2,228</u>
Total	<u>11,22,952</u>	<u>17,65,476</u>
Payment to auditors		
As auditor:		
Statutory auditor	30,337	30,337
Tax auditor	-	-
In other capacity :		
For taxation matters	7,865	7,865
For other services	22,472	22,472



22 The Company is advised that there is no taxable income for the year under review and hence no provision for taxation is required to be made.

23 Based on the guiding principle given in Accounting Standard 17, on Segment Reporting issued by the Institute of the Chartered Accountants of India, the primary business of the company is processing of chemicals. Therefore, there are no separate reportable segments as far as primary segment is concerned.

As the processing of chemicals outside India is NIL, secondary segment-wise reporting is not required to be shown.

Also the operation of the company is in India and all the Assets and Liabilities are located in India. The sale is wholly in India and therefore Geographical analysis is not given.

24 Related party disclosure under Accounting Standard-18

(A) (i) **Key Management Personnel**

1. Mr. Dipak N. Patel

(ii) **Relative of key management personnel**

1. Mrs. Parul D. Patel (Wife of Director) 2. Mr. Nirmal D. Patel (Son of Director) 3. Mrs. Kusum N Patel (Mother of Mr. Dipak N Patel)

NOTE: Related party relationship is as identified by the Company and relied upon by the Auditors.

(B) Transaction carried out with related parties referred to in (A) above:

Nature of Transaction	Related Parties Referred in A (i) above Amount (`)	Related Parties Referred in A(ii) above Amount (`)	Balance as on 31/3/2014
Loan taken	9,57,000	-	9,57,000
Remuneration	4,80,000	-	4,80,000
Closing Balance			
Loan Taken	39,02,597	-	39,02,597
Trade Payable	3,05,120	-	3,05,120

31-03-2014 **31-03-2013**

25 **Earning per share**

Profit / (Loss) after Tax as per Statement of Profit & Loss	(2,59,294)	(7,98,829)
No. of Equity Share	30,00,000	30,00,000
Earning per Share (`)	(0.09)	(0.27)
(Basic and Diluted)	(0.09)	(0.27)

26 As the company does not anticipate taxable profit in near future, so to comply with the Accounting Standard-22 issued by the Institute of Chartered Accountants of India, New Delhi, the deferred tax asset has not been provided relating to the previous year.

27 **Retirement Benefits:**

The provisions of gratuity and retirement benefits are not applicable to the Company.

28 Balances of Cash and Bank, Trade Receivable, Trade Payable, loans and advances are subject to confirmation in the ordinary course of business.

29 The Directors are of the opinion that the current assets stated in the Balance Sheet are valued at approximately realizable value in the ordinary course of Business and all known liabilities have been provided for.

30 (j) Consumption of Raw Materials:

Product	2013-14 Amount	2012-13 Amount
Corn Fat Powder	11,250	2,06,952
MCT FAT Powder	1,63,460	57,184
Groundnut FAT Powder	-	8170
Calcium Caseinate	2,500	-
Sodium Caseinate	17,83,945	-
TOTAL	19,61,155	2,72,306
(ii) Work in Progress:		
Corn Fat Powder	0	-
MCT FAT Powder	0	-
TOTAL	0	-

(iii) Sales, Opening and Closing Stock of Finished Goods:

Product	Sales		Opening Stock		Closing Stock	
	2013-14 Amount	2012-13 Amount	2013-14 Amount	2012-13 Amount	2013-14 Amount	2012-13 Amount
Corn Fat Powder	8,460	3,69,808	3,960	1,54,800	-	3,960
MCT FAT Powder	2,48,160	4,93,500	2,820	15,228	-	2,820
Groundnut FAT Powder	760	19,000	760	-	-	760
Calcium Caseinate	5,28,000	-	-	-	-	0
Sodium Caseinate	25,12,000	-	-	-	-	-
TOTAL	32,97,380	8,82,308	7,540	1,70,028	-	7,540

(iv) Details of Goods Traded:

Particulars

	<u>2013-14 Amount (`)</u>	<u>2012-13 Amount (`)</u>
Good Purchased	Nil	Nil

Good Purchased

(v) Value of imports calculated on C.I.F. basis during the financial year in respect of:

(i) Raw Materials	Nil	Nil
(ii) Components – spare parts	Nil	Nil
(iii) Chemical	Nil	Nil
(iv) Capital Goods	Nil	Nil

31 Expenditure in foreign currency during the financial year:

(i) Technical Know how / Professional Fees / Consultancy Fees	NIL	NIL
---	-----	-----

32 Value of Raw Materials, Stores, Chemical & Spares consumed during the year:

Particulars	Amount		% of Total Consumption	
	2013-14	2012-13	2013-14	2012-13
Raw Materials				
(i) Imported	-	-	-	-
(ii) Indigenous	19,61,155	2,72,306	100%	100%
Total	19,61,155	2,72,306	100%	100%
Stores, Spares & Consumables				
(i) Imported	-	-	-	-
(ii) Indigenous	11,236	32,849	100%	100%
Total	11,236	32,849	100%	100%

33 Earnings in Foreign Currency :

	<u>2013-14 Amount</u>	<u>2012-13 Amount</u>
F.O.B. Value of Earning	Nil	Nil

34 Previous year figures have been re-arranged, reclassified and re-grouped, wherever necessary to make them comparable.

As per our separate report of even date attached.

For Talati & Talati

Chartered Accountants
(Firm Reg No: 110758W)

Umesh H. Talati

Partner
Mem. No. 34834

Place : Ahmedabad
Date : 30/05/2014

For and on behalf of the Board of Directors

Sd/-
Dipak N. Patel
Managing Director
(DIN – 02052080)

Sd/-
Narendrakumar H. Patel
Director
(DIN – 02054077)

Place : INDRAD (Kadi)
Date : 30/05/2014


CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014.

PARTICULARS	2013-14	2012-13
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax		
As Per Profit & Loss Account	(2,58,552)	(7,98,829)
Add/ Less Adjustments For:		
Add:		
Depreciation	8,35,389	8,51,548
Interest Paid	2,39,574	1,89,877
Less:		
Interest Income	(2,27,914)	(1,86,774)
Profit On Sale Of Fixed Assets	-	(17,34,283)
Operating Profit/(Loss) Before Working Capital Changes	5,88,497	(16,78,461)
Adjustments For Working Capital:		
Increase/Decrease In Current Assets	(54,34,654)	(8,71,804)
Increase/Decrease In Current Liabilities	30,49,354	8,95,705
Cash Generated from operations	(17,96,803)	(16,54,560)
Less : Taxes Paid	(92,888)	(19,145)
Net Cash Flows From Operating Activities (A)	(18,89,691)	(16,73,705)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase Of Fixed Assets	-	(59,850)
Sale Of Fixed Assets	-	18,30,000
Purchase of Fixed Deposit with Bank	18,09,374	-
Interest Received	2,27,914	1,86,774
Net Cash Generated From Investing Activities (B)	20,37,288	19,56,924
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest Paid	(2,39,574)	(1,89,877)
Net cash flow from Financing Activities (C)	(2,39,574)	(1,89,877)
Net Increase/ (Decrease) In Cash & Cash Equivalents Total (A+B+C)	(91,977)	93,342
Cash & Cash Equivalents At The Beginning Of The Year		
Cash On Hand	1,04,792	5,981
Bank Balance	4,531	-
Fixed Deposits For Less Than 3 Months	-	10,000
	1,09,323	15,981
Cash & Cash Equivalents At The End Of The Year		
Cash On Hand	16,528	1,04,792
Bank Balance	818	4,531
Fixed Deposits For Less Than 3 Months	-	-
	17,346	1,09,323

Notes :

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 issued by The Institute of Chartered Accountants of India.
- The figures in brackets represent outflows.
- Previous periods figures have been regrouped/ reclassified, where ever necessary, to confirm to current year presentation.

The accompanying notes are an integral part of Financial Statements

As per our separate report of even date attached.

For and on behalf of the Board of Directors

For Talati & Talati
Chartered Accountants
(Firm Reg No: 110758W)sd/-
Dipak N. Patel
Managing Director
(DIN – 02052080)sd/-
Narendrakumar H. Patel
Director
(DIN – 02054077)
Umesh H. Talati
Partner
Mem. No. 34834Place : Ahmedabad
Date : 30/05/2014Place : INDRAD (Kadi)
Date : 30/05/2014

CRESTCHEM LIMITED

CIN : L24100GJ1991PLC015530

Registered Office : 325, Village Indrad Tal- Kadi, Mehsana -382715 (North Gujarat)Tel : (0264) 264277844

E-mail : info@crestchemlimited.in Website : www.crestchemlimited.com

Form No. MGT -11

PROXY FORM

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

Name of the Member(s).....

Registered Address

E-mail ID

No. of Shares held

Folio No./Client ID*.....

DP ID*

* Applicable for holding shares in electronic form/We, being the member(s) of _____ shares of the above named Company, hereby appoint :

1. Name _____

Address _____

E-mail ID _____ Signature _____, or failing him

2. Name _____

Address _____

E-mail ID _____ Signature _____, or failing him

3. Name _____

Address _____

E-mail ID _____ Signature _____, or failing him

my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on Tuesday, the 30th day of September, 2014 at 05-00 P.M. at Conference Hall, Sankalp Express, Thol Road, Taluka: Kadi, District - Mehsana: 382 715 (NORTH GUJARAT) and at any adjournment thereof in respect of such resolutions as are indicated below :

Sl. No.	Resolutions	No. of Shares	I/We assent to the resolution (Against)	I/We assent to the resolution (For)
1	Adopt the Audited Accounts of the Company for the period (12 months) ended on 31 st March 2014, and the Director's and Auditor's Reports thereon.			
2	Shri Rajesh I. Mody (DIN – 02054117) who retires by rotation			
3	Appointment of Statutory Auditors of the Company Special Business.			
4	Appointment of Shri Rajesh I. Mody as an Independent Director.			
5	Appointment of Shri Narendrakumar H. Patel as an Independent Director.			
6	Appointment of Shri H. L. Joshi as a Independent Director.			
7	Special Resolution for Sale of Assets of the Company under section U/S 180 (1) (a) of the Companies Act, 2013			
8	Special Resolution for creation of charge / mortgage of the Company under section U/S 180 (1) (a) and 179 of the Companies Act, 2013			
9	Special Resolution for Borrowing Limit under section U/S 180 (1) (c) of the Companies Act, 2013.			

Signed this _____ day of _____ 2014

Signature of Shareholder _____

Signature of Proxy holder(s) _____

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

CRESTCHEM LIMITED

CIN : L24100GJ1991PLC015530

Registered Office : 325, Village Indrad Tal- Kadi, Mehsana -382715 (North Gujarat)Tel : (0264) 264277844

E-mail : info@crestchemlimited.in Website : www.crestchemlimited.com

ATTENDANCE SLIP

Name of the Member (in block letters).....

Name of the Proxy (in block letters)

(to be filled if proxy attends instead of the members)

Folio No. DP ID No.

Client ID No. No. of Shares

I/We hereby record my/our presence at the 22nd Annual General Meeting of the Company, to be held on Tuesday,30th September, 2014 and Conference Hall, Sankalp Express, Thol Road, Taluka: Kadi, District - Mehsana: 382 715 (NORTH GUJARAT) any adjournment thereof.

Date : _____

Signature of the Member / Proxy _____

Notes :

1. This attendance slip should be signed and handed over at the entrance of the Meeting Hall.

2. Member / Proxy holder desiring to attend the meeting should bring his / her copy of the Annual Report for reference at the meeting.





CRESTCHEM LIMITED

CIN : L24100GJ1991PLC015530

Registered Office : 325, Village Indrad Tal- Kadi, Mehsana -382715 (North Gujarat) Tel : (0264) 264277844

E-mail : info@crestchemlimited.in Website : www.crestchemlimited.com

Form No. MGT -12

POSTAL BALLOT FORM

(TO BE USED BY SHAREHOLDERS PERSONALLY PRESENT/ THROUGH PROXY AT THE MEETING AND
HAVE NOT OPTED FOR EVOTING)

Name of the Member(s)..... Registered Address

E-mail ID No. of Shares held

Folio No./Client ID*..... DP ID*

I/We hereby exercise my/our assent or dissent by way of vote(S) at the time of my/our personal presence/through proxy at the General Meeting in respect of the ordinary & Special Resolutions set out in the Notice of 22nd Annual General Meeting (AGM) of the Company held on Tuesday, the 30th September, 2014 by placing the tick(✓) mark at the appropriate box below:

Sr. No	Particular	No. of Shares	(For) I/We assent to the resolution	(Against) I/We assent to the resolution
Ordinary Resolution				
1	Adopt the Audited Accounts of the Company for the period (12 months) ended on 31 st March 2014, and the Director's and Auditor's Reports thereon.			
2	Shri Rajesh I. Mody (DIN – 02054117) who retires by rotation			
3	Appointment of Statutory Auditors of the Company Special Business.			
Special Business				
4	Appointment of Shri Rajesh I. Mody as an Independent Director.			
5	Appointment of Shri Narendrakumar H. Patel as an Independent Director.			
6	Appointment of Shri H. L. Joshi as a Independent Director.			
7	Special Resolution for Sale of Assets of the Company under section U/S 180 (1) (a) of the Companies Act, 2013			
8	Special Resolution for creation of charge / mortgage of the Company under section U/S 180 (1) (a) and 179 of the Companies Act, 2013			
9	Special Resolution for Borrowing Limit under section U/S 180 (1) (c) of the Companies Act, 2013.			

Date : _____

Signature of the Member / Proxy _____

Note : This Ballot is to be used for exercising voting at the time of 22nd Annual General Meeting to be held on Tuesday, the 30th September, 2014 by shareholders/proxy. Duty filled in and signed ballot form should be dropped in the Ballot box kept at the venue of AGM.

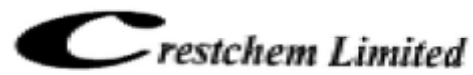
INSTRUCTIONS FOR POSTAL BALLOT

1. This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
2. A member can opt for only one mode of voting i.e. either through e-voting or by ballot.
3. Ms. Dhara Shah, Practicing Company Secretary (Membership Number ACS 30237) has been appointed as the scrutinizer.
4. Duly completed Ballot Form should reach the Scrutinizer not later than 27th September, 2014 (6.00 p. m ISI).
5. The decision of Scrutinizer on the validity of the Ballot form and any other related matter shall be final.
6. The Scrutinizer will collate the votes downloaded from the e - voting system and votes receive through postal ballot to declaren final result
7. The Result shall be declared on the AGM. And Shall be communicated by the Company to the relevant authorities including Bombay Stock Exchange Limited within prescribed time.

**BOOK-POST
PRINTED MATTER**

To,

If undelivered, please return to :



REGISTERED OFFICE

325, Village : Indrad, Chhatral - Kadi Road,
Tal.: Kadi, Dist. : Mehsana, (NORTH GUJARAT) 382715.

CRESTCHEM LIMITED

Reg. office : 325, Indrad, Chhatral – Kadi, Dist. : Mehsana – 382715, Gujarat.

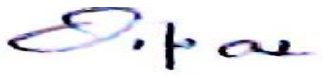
Phone : +91-02764-277844 Email : info@crestchemlimited.in

CIN Number : L24100GJ1991PLC015530

FORM B

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company	CRESTCHEM LIMITED
2.	Annual Financial Statement for the year ended	31 st March 2014
3.	Type of Audit Qualification	Qualified
4.	Frequency of Qualification	Repetitive since 2012
5.	Draw attention to the relevant notes in the annual financial statements and management response to the qualification in the Directors' Report:	<p>A) In Audit Report Page Number 18 in the Annual Report 2013-2014. As per the information and explanation given to us, records of Fixed Assets maintained by the company have been destroyed in heavy water logging during the year. The Company is in the process of preparing records showing full particulars including quantitative details and general location of fixed assets.</p> <p>The above qualification is due to natural calamity (heavy water logging due to rain) Hence, needs no further response in the Director's Report.</p> <p>B) In Audit Report Page Number 19 in the Annual Report 2013-2014. The Company has not maintained Cost Accounting Records required to be maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by</p>

		<p>the Central Government under section 209(1) (d) of the Companies Act, 1956.</p> <p>With reference to above the Director's Report refer to page Number – 7 of Annual report 2013-2014 has reported as below:</p> <p>The Company has not maintained Cost Accounting Records required to be maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 233B of the Companies Act, 2013. However, the Company is actively in the process of preparing the Cost records as required above and M/s. Vishal Yagnik & Associates, Cost Accountants, Ahmedabad, are appointed as Cost Auditors of the Company for the Financial year ended 31st March, 2014.</p>
6.	Additional comments from the Board / Audit Committee Chair:	Same as given in point number 5
7	<p>To be signed by-</p> <ul style="list-style-type: none"> • CEO / Managing Director • CFO • Auditor of the Company • Audit Committee Chairman 	<p>For, CRESTCHEM LIMITED</p>  <p>Dipak Patel (Managing Director)</p>

