Regd. Office :-
330, TRIVIA Complex, Natubhai Circle,
Racecourse, Vadodara – 390007, Gujarat, INDIA
Phone : +91 265 2988903 / 2984803
Website : www.chemcrux.com
Email : girishshah@chemcrux.com

CELEBRATING 36 YEARS 1983

CHEMCRUX
ENTERPRISES LTD.
ISO 9001, 14001 & 50001 Certified Company
CIN: L01110GJ1996PLC029329

Date : 18th July, 2020

To,
Corporate Relations Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001

Dear Sir / Madam,

Sub: Submission of Annual Report for the F.Y. 2019-20
Ref : CHEMCRUX BSE Scrip Code : 540395

Pursuant to Regulation 34(1)(a) and Regulation 30 read with Event 12 of Part A para A of Schedule Ill of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of Chemcrux Enterprises Limited for the financial year 2019-20 , which, inter-alia contains the Notice of the 24th Annual General Meeting of the Company to be held on Monday, the 17th August, 2020 at 2.00 P.M. (IST) through Video Conference / Other Audio Visual Means .

Kindly note that the Annual Report is being dispatched today on mail to the Members and others entitled to receive it and the same is also available on the Company's website, www.chemcrux.com.

Kindly take the same in your records.

Thanking you,

Yours faithfully,
For CHEMCRUX ENTERPRISES LIMITED

EKTA KUMARI
Digitally signed by EKTA KUMARI
Date: 2020.07.18 12:03:45 +05'30'

Ekta Kumari Srivastava
Company Secretary

CHEMCRUX ENTERPRISES LTD.

Factory
4712-14, GIDC, Road South - 10, Ankleshwar - 393002 (Gujarat) India.
Ph.: +91 2646 221427, 239737 | Email : sanjay@chemcrux.com

CHEMCRUX ENTERPRISES LTD.

ISO 9001, 14001 & 50001 Certified Company

Quality - Consistency - Reliability

ANNUAL REPORT 2019 -20

RECENT AWARDS & RECOGNITIONS :

- SKOCH Order of Merit Award for being Top 200 MSMEs in India
- Awarded 4th IPF Industrial Excellence Awards 2020 for Fastest Growing SME
- Ranked as 53rd India's Growth Champion by Economic Times.
- Ranked as 258th Growth Company in Asia Pacific Region by Financial Times(FT)

REGD OFFICE :

330, TRIVIA Complex, Natubhai Circle,
Racecourse, Vadodara 390007 GUJARAT
Tel No. : 0265 2984803 / 2988903
Email : celbaroda3821@gmail.com
Website : www.chemcrux.com

CHEMCRUX ENTERPRISES LTD.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Girishkumar C. Shah - Chairman & Whole Time Director
Mr. Sanjay Y. Marathe - Managing Director
Mrs. Sidhdhi G. Shah - Director
Mrs. Neela S. Marathe - Director
Mr. Shailesh Patel - Independent Director
Mr. Bhanubhai Patel - Independent Director

KEY MANAGERIAL PERSON

Mr. P.V. Tiwari - CFO (till 12/10/2019)
Mr. Sushil Tripathis - CFO (since 12/10/2019)
Mrs. Ekta Kumari - Company Secretary

REGISTERED OFFICE:

*330, TRIVIA Complex
Natubhai Circle, Racecourse,
Vadodara- 390 007 INDIA
Ph: +91-0265-2984803/2988903
w.e.f 24th May, 2019

WORKS :

4712-14, GIDC
Road South 10,
Ankleshwar – 393002
Gujarat, INDIA

BOARD COMMITTEES

Audit Committee
Mr. Shailesh Patel (Chairman)
Mr. Bhanubhai Patel
Mrs. Neela Marathe

Remuneration Committee
Mr. Bhanubhai Patel (Chairman)
Mr. Shailesh Patel
Mrs. Sidhdhi Shah

Stakeholders Relationship Committee
Mr. Shailesh Patel (Chairman)
Mr. Bhanubhai Patel
Mrs. Sidhdhi Shah

CSR Committee
Mr. Sanjay Marathe (Chairman)
Mr. Shailesh Patel
Mrs. Sidhdhi Shah

AUDITORS

Statuory Auditors:
R.J. Shah & Associates, Chartered Accountants
D- 408, Avishkar Complex,
Old Padra Road
Vadodara-390 015

Internal Auditors:
Naresh & Co., Chartered Accountants
City Enclave, Opp. Polo Ground
Vadodara – 390001

Secretarial Auditors:
Kashyap Shah & Co.
B 203, Manubhai Tower
Sayajigunj, Vadodara -390005

Registrar & Share Transfer Agent:
Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis,
Makwana Road, Marol ,
Andheri – East, Mumbai – 400059
E-mail id: info@bigshareonline.com

BANKERS :
Kotak Mahindra Bank Limited

WEBSITE : www.chemcrux.com
CIN : L01110GJ1996PLC029329
Investors Relations Mail ID :
companysec@chemcrux.com

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CHEMCRUX ENTERPRISES LTD.

CHEMCRUX ENTERPRISES LIMITED
CIN: L01110GJ1996PLC029329
Regd. Office: 330, TRIVIA Complex, Natubhai Circle, Racecourse Vadodara - 390007
Factory Office: 4712-14, GIDC, Road South 10, Ankleshwar-393 002, (Gujarat) INDIA
Ph: +91-0265-2984803/2988903
Email:girishshah@chemcrux.com Website: www.chemcrux.com

NOTICE

NOTICE is hereby given that the Twenty Fourth (24th) Annual General Meeting of members of **CHEMCRUX ENTERPRISES LIMITED** ("the Company") will be held on Monday August 17th, 2020 at 02:00 P.M. Indian Standard Time (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the reports of the Board of Directors and Auditors thereon and in this regard pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the reports of the Board of Directors and the Auditors thereon be and are hereby considered, approved and adopted."

2. To declare final dividend for the financial year ended 31st March, 2020 at the rate of 10% (Rs. 1.00 per Equity Share) and confirm the Interim Dividend as approved by the Board at the rate of 30% (Rs. 3.00 per Equity Share) and in this regard pass the following resolution as an Ordinary Resolution :

   "**RESOLVED THAT** final dividend of Rs. 1.00/- (One only) per Equity Share @ 10% on 49,36,280 Equity Shares of the Company be and is hereby declared to the Equity Shareholders of the Company whose name appear in the Register of Members on August 10, 2020 out of the profits of the Company for the financial year ended on 31st March 2020."

   RESOLVED FURTHER THAT the Interim Dividend at the rate of 30% (Rs. 3.00 per Equity Share) approved by the Board of Directors at its meeting held on 27th February, 2020 and already paid to the Shareholders out of the profits of the Company be and is hereby confirmed"

3. To appoint a Director in place of Mr. Girishkumar Shah (DIN: 00469291), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as an Ordinary Resolution :

   "**RESOLVED THAT** Mr. Girishkumar Shah (DIN: 00469291), Whole Time Director of the Company, who retires by rotation at this Annual General Meeting in accordance with section 152 of the Companies Act, 2013 and being eligible for re-appointment, be and is hereby appointed as Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS :

4. To approve payment of remuneration to Mr. Girishkumar Shah, Executive Chairman & Whole Time Director and in this regard to consider and, if thought fit, to pass the following resolution as **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of Nomination & Remuneration Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded for payment of remuneration for the period of 3 financial years starting w.e.f. April 1, 2021 as mentioned in the Explanatory Statement, to Mr. Girishkumar Shah (DIN: 00469291) Executive Chairman & Whole Time Director of the Company, [who was re-appointed at the Annual General Meeting of the Company held on September 27, 2018 for a period of 5 years w.e.f January 1, 2019], provided however that

total maximum managerial remuneration payable to Mr. Girishkumar Shah shall not exceed Rs. Two crores per annum.

RESOLVED FURTHER THAT the tenure of Mr. Girishkumar Shah Executive Chairman & Whole Time Director of the Company for a period of 5 years w.e.f. January 1, 2019, as appointed by the members at the Annual General Meeting held on September 27, 2018, shall remain unchanged and all other terms and conditions of appointment of Mr. Girishkumar Shah, as approved earlier by the members at the Annual General Meeting held on September 27, 2018 and which are not dealt with in this resolution, shall remain unaltered.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board of Directors be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid without being required to seek any further consent or approval of the Members of Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

5. To approve payment of remuneration to Mr. Sanjay Marathe, Managing Director and in this regard to consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of Nomination & Remuneration Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded for payment of remuneration for the period of 3 financial years starting w.e.f. April 1, 2021 as mentioned in the Explanatory Statement, to Mr. Sanjay Marathe (DIN: 01316388) Managing Director of the Company, [who was re-appointed at the Annual General Meeting of the Company held on September 27, 2018 for a period of 5 years w.e.f January 1, 2019], provided however that total maximum managerial remuneration payable to Mr. Sanjay Marathe shall not exceed Rs. Two crores per annum.

RESOLVED FURTHER THAT the tenure of Mr. Sanjay Marathe Managing Director of the Company for a period of 5 years w.e.f. January 1, 2019, as appointed by the members at the Annual General Meeting held on September 27, 2018, shall remain unchanged and all other terms and conditions of appointment of Mr. Sanjay Marathe, as approved earlier by the members at the Annual General Meeting held on September 27, 2018 and which are not dealt with in this resolution, shall remain unaltered.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board of Directors be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid without being required to seek any further consent or approval of the Members of Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By order of the Board of Directors
For CHEMCRUX ENTERPRISES LIMITED

Place: Vadodara
Date: July 10, 2020

Sd/-
Ekta Kumari Srivastava
Company Secretary

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the special business under Item Nos. 4 & 5 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company on July 10, 2020 considered that the special business under Item Nos. 4 & 5 , being considered unavoidable, be transacted at the 24th AGM of the Company.

2. In view of the COVID-19 pandemic and continuing restriction on gathering of persons in the country to maintain social distancing and pursuant to General Circular Nos. 14/2020, 17/2020 and 20/2020 dated April 08, 2020, April 13, 2020 and May 05, 2020, respectively, issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (SEBI) ("hereinafter collectively referred to as "the Circulars") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the 24th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 24th AGM shall be the Registered Office of the Company.

3. Since this AGM is being held pursuant to the MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.chemcrux.com . The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) at www.evoting.nsdl.com.

7. **The Register of Members and Share Transfer Books of the Company will remain closed from Monday August 10, 2020 to Monday August 17, 2020 (both days inclusive) for annual book closing and record date shall be as on Monday, August 10, 2020 for determining the entitlement of shareholders to the final dividend. The cut off date shall be as on Monday, August 10, 2020 to determine the shareholders entitled to avail the facility of remote e-voting.**

8. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 details of director retiring by rotation at the ensuing annual general meeting is given in Annexure I to this notice.

9. Subject to the provisions of section 126 of the Companies Act, 2013, final dividend as recommended by the Board of Directors for the year ended 31st March, 2020, if declared, will be payable to those Members, whose names appear in the Register of Members as at the close of business on August 10, 2020 and in respect of shares held in dematerialised form, as per the list of beneficial owners furnished to the Company by NSDL/CDSL, as at the close of business on August 10, 2020.

   9.1 In respect of shares held in electronic/demat form, beneficial owners are requested to notify any change in their address, bank account, mandate, etc. to their respective Depository Participant or to the RTA, Bigshare Services Pvt, Ltd. At www.bigshareonline.com.

10. M/s. Bigshare Services Private Limited, the Registrar and Transfer Agent (RTA) having their administrative office situated at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol Andheri – East, Mumbai – 400059 in the State of Maharashtra, is handling registry work in respect of shares held both in physical form and in electronic/demat form. **Bigshare Services has put in place a module to enable the shareholders to update the Email Id, Mobile No., PAN No. and Bank Details by visiting the website, www.bigshareonline.com. (For Investors section).**

11. **Green Initiative – Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically. Members may also note that Annual Report for the FY 2019-20 will also be available on the website of the Company at www.chemcrux.com.**

12. **VOTING THROUGH ELECTRONIC MEANS :**

i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by **National Securities Depository Limited (NSDL)**.

ii. The process and manner for remote e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/
Step 2: Cast your vote electronically on NSDL e-Voting system

iii. Details on Step 1 is mentioned below :

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.

2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under Shareholders' section.

3. A new section will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronicall.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID.For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below :

How to cast vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 10, 2020.

IX. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. August 10, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or companysec@chemcrux.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using ***"Forgot User Details/Password?"*** *or* ***"Physical User Reset Password?"*** option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

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

10 Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice :

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to companysec@chemcrux.com .
   In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to email Id : companysec@chemcrux.com .

2. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

GENERAL INSTRUCTIONS :

a. The e-voting period commences on Friday, August 14, 2020 (09:00 a.m. IST) and ends on Sunday, August 16, 2020 (5:00 p.m. IST). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of August 10, 2020, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter but will again open up during the AGM. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

b. Mr. Kashyap Shah, Practicing Company Secretary (Membership No. FCS 7662), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

c. The Scrutinizer shall, after the conclusion of voting at the General Meeting, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make not later than three days of the conclusion of the AGM a Consolidated Scrutinizer's Report of the total votes cast in favour or against and invalid votes if any. The results declared along with the Scrutinizer's report, will be posted on the website of the Company www.chemcrux.com and on the website of NSDL immediately after the declaration of the result by the Chairman or any person authorised by him and communicated to the Stock Exchanges.

d. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to kashyap.cs@gmail.com with a copy marked to evoting@nsdl.co.in.

e. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

f. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker and may send their request mentioning their name, demat account number/folio number, email id, mobile number at companysec@chemcrux.com
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at companysec@chemcrux.com . The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. Members will have the option to post their comments / queries on Chat and we will be making arrangements to carry your messages.

By order of the Board of Directors
For CHEMCRUX ENTERPRISES LIMITED

Place: Vadodara
Date: July 10, 2020

Sd/-
Ekta Kumari Srivastava
Company Secretary

Registered Office :
330, TRIVIA Complex
Natubhai Circle, Racecourse
Vadodara - 390007

Explanatory Statement Pursuant to Section102 of the Companies Act, 2013:

Special Business : Item No. 4 & 5

The Company at its Annual General Meeting held on September 27, 2018 have reappointed Mr. Girishkumar Shah (DIN: 00469291) as the Wholetime Director, designated as Executive Chairman and Mr. Sanjay Y. Marathe, (DIN 01316388) as Managing Director, for a period of 5 (five) years effective from January 1, 2019 till 31st December, 2023 vide Special Resolution No. 5 & 6 respectively. However, as per the provisions of Schedule V of the Companies Act, 2013, the said resolutions approving remuneration payable by Companies having inadequate profits were passed for a period of three years, starting from April 1, 2018 till 31st March, 2021. Therefore, it is proposed to seek members' approval for the remuneration payable to Mr. Girishkumar Shah, Wholetime Director and Mr. Sanjay Marathe, Managing Director, for a period of another three years starting from April 1, 2021 till their tenure ending on December 31st, 2023 in terms of the applicable provisions of the Companies Act 2013, for Companies having inadequate profits.

In terms of the provisions of Section 197 (as amended by the Companies (Amendment) Act, 2017), read with Schedule V of the Act, the Company is required to obtain the approval of the members by way of a special resolution for payment of remuneration to Managerial Personnel in case of no profits/ inadequacy of profits. Further, pursuant to a recent amendment in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in a general meeting, if the annual remuneration payable to such Executive Director exceeds Rs.5 Crore or 2.5% of the net profits of the Company, whichever is higher; or where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the Company. The proposed special resolution being approved in respect of resolution set out at Item No. 4 & 5, of this Notice would also be in compliance with the requirements of SEBI LODR.

The Company has not committed any default in repayment of any of its debt (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year. In case of your Company, the remuneration paid /payable to Managerial Personnel is likely to exceed 10% of Net Profit of the Company during the financial year ending FY 2020-21 and onwards and the aggregate remuneration paid/payable to the aforementioned Managerial Personnel during financial year ending FY 2020-21 onwards is also likely to exceed the limits prescribed under Section II of Part II of Schedule V of the Act.

STATEMENTS AS PER PART II OF SECTION II OF SCHEDULE V OF THE COMPANIES ACT, 2013

In terms of provisions contained in section II Part II of Schedule V of the Companies Act, 2013, in case of inadequate profit for managerial remuneration, the relevant details regarding the performance of the Company and of the appointee are furnished hereunder:

General Information:

1) Nature of Industry	Manufacturing of Organic & Inorganic, Speciality Chemicals
2) Date of Commencement of Commercial Production	Since Incorporation
3) Financial Performance for the Financial Year ended 31.03.2018	Total Income : Rs. 58,31,50,102 Profit Before Tax & Provisions : Rs. 14,10,62,565 Profit After Tax : Rs. 10,64,25,820 Debt Equity Ratio : 0.03 Current Ratio : 2.75 Net Worth : 27,969,7985
5) Foreign Investment or Collaboration	The Company does not have any Foreign Investment or collaboration.

Information about the Directors:

Background Details:
Mr. Girishkumar Shah and Mr. Sanjay Marathe are founder promoters of the Company since inception. They have been associated with the management of the Company since long & have been holding the position of Whole Time Director / Managing Director since many years. Both of them have vast experience in chemical and allied industries.

Past Remuneration: Both Mr. Girishkumar Shah and Sanjay Marathe were paid a monthly remuneration of Rs. 7,00,000/- (As on 31st March, 2020)

Recognition of Awards: -- NIL

Job Profile and Suitability:

Mr. Girishkumar Shah – Girishkumar Shah is the Promoter, Executive Chairman and Whole Time Director of the Company. He has been the Director of the Company since incorporation and is also one of the subscribers of MOA of the Company. He holds a degree in Bachelor of Engineering in Chemical from the Maharaja Sayajirao University of Vadodara (M.S. University) and postgraduate in Industrial Management from Indian Institute of Science, Bangalore (I.I.S.C Bangalore) He has an experience of more than 33 years in chemical industry. At present he heads Marketing and Finance division of the Company. He has a vast experience, knowledge and expertise in the industry. The proposed managerial remuneration of Mr. Girishkumar Shah is commensurate with his qualification, expertise and experience and in the interest of the Company to retain such managerial person.

Mr. Sanjay Marathe - Sanjay Marathe, is the Promoter and Managing Director of the Company. He has been the Director of the Company since incorporation and is also one of the subscribers of MOA of our Company. He holds a degree in Bachelor of Engineering in Chemical from The Maharaja Sayajirao University of Vadodara (M.S University) and Master Degree (M.Tech) from Indian Institute of Technology (IIT), Powai. He has an experience of more than 33 years in chemical industry. At present he is involved in overall production activities of the Company. The proposed managerial remuneration of Mr. Sanjay Marathe is commensurate with his qualification, expertise and experience and in the interest of the Company to retain such managerial person.

Remuneration Proposed to both the appointees – The remuneration proposed to Mr. Girishkumar Shah and Mr. Sanjay Marathe is Rs. 7,00,000/- per month plus Performance Bonus / Incentives as may be decided by the Board of Directors from time to time subject to an overall limit of Rs 2 crores per annum respectively.

Proposed Remuneration to Whole Time Director & Managing Director

1.	Basic Salary	*Rs. 7,00,000/- per month with authority to the Board of Directors to revise the basic salary from time to time taking into account the performance of the Company.*
2.	Performance Bonus	*In addition to the above basic salary, Performance Bonus / Incentives upon the availability of Net profits and as may be decided by the Board from time to time upon recommendation by Nomination & Remuneration Committee on an yearly / half yearly review of the performance of Whole Time Director & Managing Director and based upon the audited / unaudited financial statements of the Company during the year or half year. The performance Bonus / incentives for a particular year shall be considered in the limits of Managerial Remuneration of that particular year, even if it is declared in subsequent year.*

Provided further that the basic salary and performance bonus / incentives if declared, shall together be subject to the overall limit of Rs. Two crores per annum respectively to Mr. Girish Shah & Mr. Sanjay Marathe as provided in Special Resolution, Items No. 4 & 5.

In addition to above mentioned remuneration, Mr. Girishkumar Shah & Mr. Sanjay Marathe shall be entitled to the following perquisites and allowances, which shall not be included in computation of said ceiling limit of remuneration specified in section II of Schedule V of the Companies Act, 2013:

i. Company's contribution to provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income-Tax Act, 1961.
ii. Gratuity payable as per the rules of the Company.
iii. Leave encashment at the end of the tenure.
iv. The provision for use of Company's car with driver for official use.
v. Company's telephone at his residence.
vi. Reimbursement of all reasonable expenses including entertainment expenses incurred bonafide in connection with business of the Company.

Comparative Remuneration profile with respect to industry, size of the Company, profile of the person and position : The remuneration profile of the Whole Time Director and Managing Director cannot be exactly compared with respect to industry, size of the Company, profile of the person and position and hence not provided.

Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any : Other than receipt of managerial remuneration, both the directors do not have any pecuniary relationship with the Company. Mr. Girishkumar Shah is related to Mrs. Sidhdhi Shah (Non – executive Director) and Mr. Sanjay Marathe is related to Mrs. Neela Marathe (Non -executive Director) as husband and wife.

Other Information:

Reason for inadequacy of profits, steps taken for improvement and expected increased in productivity: The Company is an MSME, Medium sized Company and the scale of operations is also medium sized. The scale of operations and sales turnover / profitability is not enough to sustain required profitability as of now. However the revenue and turnover of the Company is growing at a steady rate on year on year basis. Effective steps are taken to improve the performance of the Company by reducing cost of production and other direct costs and by expanding existing manufacturing facilities and by ensuring increase in turnover effectively. This would help the Company to achieve better economies of scale, larger turnover volume and improved profitability.

Steps taken or proposed to be taken for improvement : The Company is working on expansion of the existing plant facilities. In line with the same, approval for Environmental Clearance for further expansion of manufacturing capacity is awaited. Company is also striving for better efficiency of manufacturing facility by adopting ISO 50001, Energy Management Systems, debottlenecking of processes, cost reductions and sales maximization.

Expected increase in productivity and profits in measurable terms: During the year 2019-20 revenue increased at a growth rate of around 5% and Net Profit increased at the rate of around 14% as compared to preceding years figures. For the current FY 2020-21, due to the global CoVID 19 pandemic situation resulting into around two months complete / partial shutdown of operations, Company expects only marginal or no growth in turnover and revenue. However situation may improve in the next financial years and Company may expect for an increase in turnover and profitability.

Disclosures
The following disclosures as may be applicable has been mentioned in the financial statements:
(i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors – Mentioned in Extract of Annual Return MGT 9 at http://www.chemcrux.com/investor-info.php
(ii) details of fixed component and performance linked incentives along with the performance criteria – Mentioned in Extract of Annual Return MGT 9 at http://www.chemcrux.com/investor-info.php
(iii) service contracts, notice period, severance fees – N.A
(iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable – N.A

Accordingly, the Board recommends the Special Resolution as set out in Item 4 & 5 for approval of the Members.

Mr. Girishkumar Shah and His wife Mrs. Sidhdhi Shah (Non –Executive Director) and Mr. Sanjay Marathe and his wife Mrs. Neela Marathe (Non –Executive Director) are interested in the resolution set out at Item No. 4 & 5 respectively. The relatives of Mr. Girishkumar Shah and Mr. Sanjay Marathe may be deemed to be interested in the resolution set out at Item No. 4 & 5 respectively of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

Annexure - I

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting.

(PURSUANT TO REGULATION 36(3) of THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

Name of Director	**Girishkumar Shah**
Date of Birth	29/06/1956
Date of Appointment	15/04/1996
Expertise in Specific Functional Area	Management, Administration & Chemical Engineering
Qualifications	B.E (Chem), Post Graduate in Industrial Management from I.I.S.C Bangalore
Directors in other public limited companies	NIL
Other positions	NIL
Membership of committees in other public limited companies	NIL
Inter relationship Relationship with any Director	Promoter Husband of Non Executive Director Mrs. Sidhdhi Shah
Shares held in the company	18,00,080

CHEMCRUX ENTERPRISES LTD.

BOARD'S REPORT

Your Directors have pleasure in presenting the 24th Board Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March 2020.

1. FINANCIALS :

[Rupees in Lacs]

PARTICULARS	2019-20	2018-19
Revenue from Operations	**5744.96**	**5527.31**
Other Income	86.54	49.47
Total Revenue	**5831.50**	**5576.78**
Less: Expenses before Interest and Depreciation	4271.09	4185.74
Less: (a) Interest	32.17	28.04
(b) Depreciation	117.61	125.59
Profit before Tax & Extra Ordinary Items	**1410.63**	**1237.41**
Less : Prior period expenses	**0.13**	**-**
Less: Prior year's Income Tax Adjustment	**(7.60)**	**2.65**
Profit Before Tax	**1418.10**	**1234.76**
Less: Tax Expenses		
Current Tax	363.00	385.00
Deferred Tax	(9.16)	(81.79)
Profit after Tax	**1064.26**	**931.55**
Earnings per Share	**21.56**	**18.87**

2. KEY FINANCIAL RATIOS :

Sr. No.	Particulars	FY 19-20	FY 18-19	% Change
1	Debtors Turnover Ratio	**5.68**	**6.42**	(11.53)
2	Inventory Turnover Ratio	**12.62**	**13.45**	(6.17)
3	Interest Coverage Ratio	**44.84**	**45.13**	(0.64)
4	Current Ratio	**2.75**	**2.22**	23.87
5	Debt Equity Ratio	**0.03**	**0.09**	(66.67)
6	Operating Profit Margin (%)	**26.60**	**24.66**	7.87
7	Net Profit Margin (%)	**18.53**	**16.85**	9.97
8	Return on Networth %	**38.05**	**39.24**	(3.03)

Board noted that Company has improved key financial ratios, due to better sales realization, inventory management & stock turnover. The decline in Debt Equity Ratio demonstrates that your Company is less leveraged and operating with minimum borrowed fund.

3. DIVIDEND:

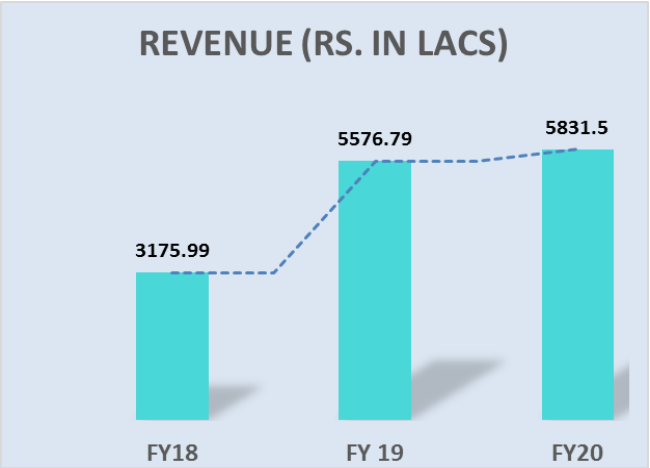
Dividend is recommended by your Board taking into consideration the factors like overall profitability, cash flow, capital requirements and other business needs of your company. During the financial year Board approved Interim Dividend of Rs. 3 per equity shares (30%) on 27th February, 2020 and was paid to shareholders on 13th March, 2020 . Your Board of Directors is further pleased to recommend a final dividend of Rs. 1.00/- per equity share (10%) on 49,36,280 equity shares of Rs.10/- each of your company. This would result in a total outflow of Rs. 49,36,280. According to Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by the Company is taxable in the hands of shareholders and the Company is required to deduct tax at source (TDS) from dividend paid to the shareholders at the applicable rates.

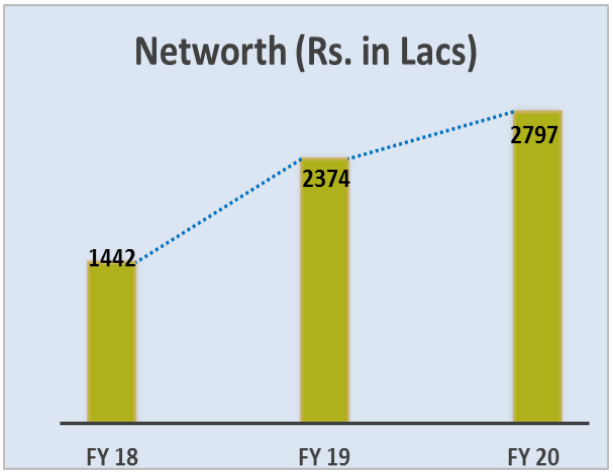
4. OPERATIONAL HIGHLIGHTS:

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

Rs. In Lacs	FY 17-18	FY 18-19	FY 19-20	% increase (1 year)	% increase (3 years)	CAGR% (3 years)
Revenue	3175.99	5576.79	5831.50	4.57	83.61	22.45
EBDITA	502.44	1391.04	1560.41	12.18	210.57	45.90
Profit before Tax	404.33	1234.76	1418.10	14.85	250.73	51.93
Net Profit	236.32	931.55	1064.26	14.25	350.35	65.14
Networth	1442.39	2373.94	2796.98	17.82	93.91	24.70
EPS	4.79	18.87	21.56	14.26	350.10	65.11

KEY FINANCIALS CHART – GROWTH OVER 3 YEARS PERIOD





5. SHARE CAPITAL:

At present, the Company has only one class of share – Equity shares of face value of Rs. 10 each. The authorized share capital of the company is Rs. 6,00,00,000/- divided into 60,00,000 equity shares of Rs. 10 each. The paid up share capital of the company is Rs. 4,93,62,800/- divided into 49,36,280 equity shares of Rs. 10 each. The Company had raised fund through Public Issue of shares in F/Y 2016-17 and the Equity shares of the Company are now listed on SME platform of BSE Limited.

6. TRANSFER TO RESERVE:

The Company proposes to transfer Rs. 8,55.96,690 to its General Reserve.

7. CREDIT FACILITIES:

The Company has been optimally utilizing its fund based and non fund based working capital requirements as tied up with Kotak Mahindra Bank Limited. The Company was comfortable in meeting its financial requirements from Kotak Mahindra Bank Limited. Effective financial measures have been continued to reduce cost of interest and bank charges.

8. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCTION AND PROTECTION FUND:

There was no amount outstanding to be transferred as unclaimed dividend to investor education and protection fund during the FY 2019-20.

9. MATERIAL EVENTS OCCURING AFTER BALANCE SHEET DATE :

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statement relates and the date of the Board Report, other than the effects of global pandemic on business. As you are aware due to the nation wide lockdown owing to CoVID 19 global pandemic, businesses have been impacted adversely during the lockdown period. Your Company not being an exception to the distress situation caused by global pandemic, is also affected adversely to some extent. However the impact is not substantial or material in nature.

COVID 19: A GLOBAL PANDEMIC :

The World Health Organization (WHO) on March 11, 2020 declared the outbreak of Coronavirus (COVID-19) as a global "pandemic". The declaration from WHO came at a time when COVID-19 cases rapidly increased across the world. The spread of virus has triggered panic across the world and financial markets. Like some of the other countries in the World, the virus' impact led the Hon'ble Prime Minister of India, to announce a lockdown across the country from March 25, 2020 to restrict it from spreading further. As a result, the Country's economic activities came to a standstill. Likewise due to Shutdown of the factory of the Company located at Ankleshwar owing to Government / State Directives from 24th March, 2020 till 14th April 2020 and thereafter partial resumption of operations till May 2020, there has been corresponding impact on the operations of the Company. Your Company had been operating at low capacity during the lockdown period, hence there had been corresponding loss in production and business during the period. However operational activities have improved and presently the plant is operational as usual form June 2020.

The following measures were taken by the Company to mitigate the risk of COVID-19 to its business operations:

1. The Company invoked its Risk Management Policy Framework quite early to minimize the impact on its employees and ensured that the Company remains operational and that recovery time objectives are met.
2. The Company proactively framed and implemented 'work from home policy' to ensure that employees stay safe and business remains operational.
3. The Company ensured that its offices and factory premises are properly sanitized and cleaned frequently.
4. Company has put in place adequate measures and monitoring process for CoVID 19 inter alia, thermal screening of all employees and visitors, sanitization of premises on regular basis, maintaining of social distancing at all work places, enforcing wearing of masks and regular health updates of employees.
5. All the guidelines issued by the Central and State Government authorities from time to time have been and are being strictly adhered to.

10. ORDER OF AUTHORITIES :

Other than the order of District Authorities dated 24th March, 2020 for shutdown of operations of our Factory located at Ankleshwar, in view of CoVID pandemic, no order of any government, state, local or statutory authorities were received during the FY 2019-20 which could have affected the workings of the company.

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

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

(A) Conservation of energy:

Steps taken / impact on conservation of energy, with special reference to the following:

Steps taken by the company for utilizing alternate sources of energy including waste generated :
Your Company has been successfully certified with ISO 50001: 2018 Certification from BSI (British Standards Institution) and ANAB (American National Standards Institution Accreditation Board). Your Company is now compliant with the Energy Management Systems and aims to improve energy efficiency and consumption thereby resulting in costs reduction and increase in productivity. During the FY 2019-20 Energy consumption was 2567760 units (equivalent to 2.57mwh) and cost incurred was Rs. 17.6 million.

(B) Technology absorption:

1. **Efforts in brief, made towards technology absorption. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.**
   The Company has not entered into any technology based ventures during the year under review.

   In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:
   The Company has not imported any technology and hence not applicable.

2. **Expenditure incurred on Research and Development :**
   The Company is coming up with a R&D facility located at GIDC, Ankleshwar Gujarat.

(C) Foreign exchange earnings and Outgo:

PARTICULARS	Amt (In Lacs)
Foreign Exchange earned in terms of actual inflows during the year	685.19
Foreign Exchange outgo during the year in terms of actual outflows	472.56

(D) Environment :

During the year your Company has complied with local and regulatory environment laws and regulations. We strive actively to reduce the overall impact on the environment by targeting annual reductions in our carbon intensity and the management of waste, water, vehicle emissions and energy consumption. The Board of Directors has adopted the Environment Policy at the meeting held on 27th February, 2020 outlining our commitment to conduct operations in environment friendly and responsible way. The policy can be accessed at the website www.chemcrux.com

12. RISK MANAGEMENT:

The Company has framed a sound Risk Management Policy to identify and evaluate business risks and opportunities and the same has become integral part of Company's day to day operations. The key business risks identified by the Company are as follows viz. Industry Risk, Management and Operations Risk, Market Risk, Government Policy risk, Liquidity risk, and Systems risk. The Company has in place adequate mitigation plans for the aforesaid risks. During the CoVID global pandemic Company quickly recognized and invoked its Risk Management Policy to minimize the impact on its operations, customers, suppliers and employees. Your Company encouraged work from home policy and ensured that timely salaries are given to the employees during the lockdown period. After the partial resumption of operations the management and employees strived well to seamlessly start the operations with no bottlenecks in procurement of raw materials , timely deliveries of finished goods and hassle free imports and exports.

13. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The provisions of Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2013 has been applicable to the company from the financial year 2019-20. In line with same a

Corporate Social Responsibility Committee has been constituted by the Board of Directors at their meeting held on August 17, 2019. The Committee consists of directors, Mr. Sanjay Marathe(Chairman), Mrs. Sidhdhi G. Shah and Mr. Shailesh Patel (Independent Director). The CSR Committee has formulated and recommended to the Board, the Corporate Social Responsibility Policy which indicates the activities to be undertaken by the Company in areas or subjects specified in schedule VII of the Companies Act, 2013. Accordingly during the FY 2019-20 as approved by the CSR Committee, the amount for CSR expenditure amounting to Rs. 12,96,000/- was spent in areas specified under schedule VII of the Companies Act, 2013 . Please refer Annexure IV for further details and click on the link www.chemcrux.com/investor-info.php under investors info/Corporate Policy link to access the CSR Policy of Company.

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

There were no loans or guarantees given by the Company under Section 186 of the Companies Act, 2013 during the year under review. Investments in short term UTI Mutual Fund schemes were made during the year which was within the limits approved by Board of Directors and the limits prescribed under section 186 of the Companies Act, 2013.

15. RELATED PARTY TRANSACTIONS:

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Board Meeting as per the omnibus approval of Audit Committee and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as Annexure III.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its related parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the Listing Regulations. This policy has been uploaded on the website of the Company at www.chemcrux.com/investor-info.php under investors info/Corporate Policy link.

16. DIRECTORS / KEY MANAGERIAL PERSONNEL:

During the year no directors were appointed or have resigned. The Chief Financial Officer of the Company Mr. P.V. Tiwari resigned from his office w.e.f October 12, 2019 and Mr. Sushilkumar Tripathi was appointed in his place to take over the charge as the Chief Financial Officer of the Company w.e.f October 12, 2019.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Girishkumar Shah, Whole Time Director shall retire by rotation in the ensuing Annual General Meeting and being eligible for re-appointment has offered his candidature for directorship. None of the non-executive directors has had any pecuniary relationship or transactions with the company, other than the receipt of sitting fee for the meetings of the Board and Committees thereof attended by them.

- **BOARD EVALUATION:**
  Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried an annual performance evaluation of its own performance and the directors individually.

- **REMUNERATION POLICY:**
  The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining, qualifications, positive attributes and independence of a Director and also a policy for remuneration of directors, key managerial personnel and senior management. The policy is available at the website of company at www.chemcrux.com/investor-info.php.

- **MEETINGS:**
  During the year six Board Meetings and five Audit Committee Meetings were convened and held. The

intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

- **DECLARATION OF INDEPENDENT DIRECTORS:**
  The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

17. AUDIT COMMITTEE AND VIGIL MECHANISM:

The Audit Committee comprises of Mr. Shailesh Patel- Independent Director, Mr. Bhanubhai Patel- Independent Director and Mrs. Neela Marathe – Non Executive Director. During the year five Audit Committee Meetings were held. In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at http://www.chemcrux.com/investor-info.php.

18. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility statement:—

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts on a going concern basis; and

(e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. ANNUAL RETURN:

Extract of Annual Return of Company pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 has been placed at website of the Company. Weblink of the same is as http://www.chemcrux.com/investor-info.php

20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint venture or Associate Company.

21. DEPOSITS:

The Company has neither accepted nor renewed any deposits during the year under review.

22. AUDITORS:

- **STATUTORY AUDITORS**
  The Company's Auditors M/s. R.J. Shah & Associates has been appointed as the Statutory Auditor of the Company at the 22nd Annual General Meeting until conclusion of 27th Annual General Meeting of the Company for a term of five years. The report of the Statutory Auditors of the Company is annexed herewith as " Annexure V"

- **SECRETARIAL AUDIT:**
  Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/S. Kashyap Shah & Co., a Practicing Company Secretaries to undertake the Secretarial

Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure II".

- **INTERNAL AUDITORS:**
  The Company has appointed Naresh & Co. as the Internal Auditors.

23. OBSERVATION OF AUDITORS:

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors, Internal Auditors and Secretarial Auditors. The auditors have not reported any frauds under sub section 12 of section 143 other than those which are reportable to the Central Government.

24. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorised, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

25. SHARES:

a. **BUY BACK OF SECURITIES: T**he Company has not bought back any of its securities during the year under review.
b. **SWEAT EQUITY:** The Company has not issued any Sweat Equity Shares during the year under review.
c. **BONUS SHARES:** The Company has not issued any bonus share during the year under review.
d. **EMPLOYEES STOCK OPTION PLAN:**The Company has not provided any Stock Option Scheme to the employees.
e. **FRESH ISSUE OF SHARES:** The Company has not issued any shares during the year under review.

26. CORPORATE GOVERNANCE:

Provisions relating to Corporate Governance Report under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to SME listed Company hence the same has not been annexed to the Board's Report.

27. AWARDS AND RECOGNITIONS :

The year gone by has been a remarkable year for your company. During the start of year 2019 your company was conferred with the prestigious SKOCH Order of Merit Award for being among top 200 MSMEs of India.

- **Your Company is certified with the ISO 50001:2018 Energy Management certification from BSI (British Standards Institution) and ANAB (American National Standards Institution Accreditation Board)**

- **Your Company is honoured with the prestigious 4th IPF Industrial Excellence Awards as the fastest growing SME under Fertilizers & Chemicals category. The award ceremony was hosted at NSE, Mumbai on 16th January, 2020.**

- **Your Company is ranked at 258th position in the Financial Times ranking of 500 high growth companies from the Asia Pacific (APAC) region.**

- **Your Company stands tall as the INDIA'S GROWTH CHAMPION an ambitious initiative that highlighted the true accelerators of the Indian economy, Your Company ranked 53rd in the list of Top 150 Companies across all sectors and industries in India conducted by the Economic Times and Statista.**

28. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report is appended as Annexure I to this Report.

29. PARTICULARS OF EMPLOYEES: -

Disclosure under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.
Ratio of remuneration of MD and Whole Time Director – 23.72 : 1 (Rs. 84,00,000 : 3,54,101)
Other Directors – Not Applicable

b) The percentage increase in the remuneration of each director, Chief Executive Officer, Chief Financial Officer and Company Secretary, if any in the financial year – During the FY 2019-20 there was 100 % increase in remuneration of WTD and MD. There was 15 % increase in the remuneration of CFO & CS.

c) The percentage increase in the median remuneration of employees in the financial year – **Median Remuneration is Rs. 3,39,123 and average increase is 15% for the F.Y. 2019-20.**

d) The number of permanent employees on the rolls of the Company as on 31.03.2020 – **76**

e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration – **Average 15% increase in salaries of Employees and 100 % increase in Managerial Remuneration during F.Y. 2019-20. The increase in remuneration of managerial person is commensurate with the efforts put in by them in leading the Company to greater heights and as per the prescribed limits of Schedule V of the Companies Act, 2013.**

f) Affirmation that the remuneration is as per the remuneration policy of the company.
The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through the compensation package, the company endeavors to attract, retain, develop and motivate high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay**. The Company affirms that the remuneration is as per remuneration policy of the Company.**

g) Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with reference to remuneration of employees in excess of the limits prescribed – **None of the employees were in receipt of remuneration above 8 lakh 50 thousand per month or Rs. One crore Two lakhs per annum and above.**

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

The Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary, trainees) are covered under this policy. An Internal complaint committee is formed to look after any complaints of women employees. During the year four meetings of internal committee for prevention prohibition and redressal of sexual harassment of women at workplace were held. No complaints for sexual harassment were received during the year.

31. COST AUDIT:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 dated 31/12/2014, cost audit was not applicable to the Company for the

Financial Year 2019-20. However the maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is applicable to the Company from the FY 2019-20 and accordingly such records are being maintained,

32. COPORATE GOVERNANCE AND FAIR BUSINESS PRACTICES :

The extant provisions of corporate governance prescribed under SEBI Regulations is not applicable to the Company, being an SME listed Company. However as good Corporate Citizen, the Company strives to comply with the provisions of corporate governance on voluntary basis. Company's approach to business is based upon core set of values and ethics. The management of Company is dedicated to ethical, fair and just business practices. In line with this vision, the Board of Directors of the Company has during the year, adopted the Business Ethics Policy, which is available at the website of company www.chemcrux.com .

33. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS :

The Company has complied with the provisions of Secretarial Standards (I & II) issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013.

34. HUMAN RESOURCES:

During the period under review, the personal and industrial relations with the employees remained cordial in all respects. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The Company recognizes talent and has judiciously followed the principle of rewarding performance. During the year, Company has adopted Human Rights Policy Statement to express Company's commitment to do business with ethical values and embrace practices that supports human rights, and labour laws on a continuous basis. The policy is available on the website of Company www.chemcrux.com . During the Lockdown period caused by the global pandemic, Company promptly responded and adopted the Work From Home Policy and ensured timely payment of monthly remuneration to its employees. After the initiation of operations, proper care is taken to provide safe and healthy work environment to employees by providing regular health checkups, thermal screening and regular sanitization of work place.

35. CAUTIONARY STATEMENT :

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

36. ACKNOWLEDGEMENTS :

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their relentless support and confidence reposed on the Company.

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

Sd/-
GIRISHKUMAR SHAH
CHAIRMAN

Place: Vadodara
Date: July 10, 2020

2.1 Annexure I - to the Board's Report 2019-20
Management Discussion and Analysis

1. INDUSTRY STRUCTURE & DEVELOPMENTS:

The Indian economy grew at 4.2 per cent in 2019-20, lower than the 6.1 per cent figure registered in 2018-19, as the Covid-19 pandemic adversely impacted economic activity in the last month of the fiscal year, especially manufacturing and construction. Economic activities across India have taken a hit due to the ongoing COVID-19 pandemic. Businesses and industries have remained shuttered for over two months now amid the ongoing nationwide lockdown. Due to this the economy may slow over the next few months owing to supply disruptions, fall in consumption demand, and stress on the banking and financial sectors. The World Bank released its Global Economic Prospects report. It expects India's gross domestic product (GDP) to contract by 3.2% in 2020-21. There will be a moderate recovery to 3.1% growth in 2021-22.

1.1 CHEMICAL INDUSTRY : CHINA FACTOR

The global chemical industry is worth US$4 trillion, of which China holds 38% share, while India is only at US$160bn. Similarly, in the specialty chemicals industry, China is several-fold larger than India. Certain basic chemicals required for downstream applications are still not produced in India and are imported. Hence, the world will continue to buy from China for at least the next few years.

Definite opportunities emerging in the medium-term
Beyond July-2020, there are definite chances that the global chemical industry begins to shift its sourcing away from China. However, China is too important to be side-lined, for at least the next few years, since there are unlikely to be large capacities available with competing countries in the short-term. Nevertheless, global customers may explore the possibility of additional contract manufacturing or outsourcing from India. The key question is how fast Indian companies can respond.

1.2 SPECIALITY CHEMICALS INDUSTRY :

The specialty chemicals constitute 22% of total chemicals and petrochemicals market in India. As of FY18, the total market size is around USD 35 bn. India is also gaining traction as an outsourcing hub for Specialty Chemicals manufacturing Segments within specialty chemicals vary in attractiveness and witness varying levels of competitive intensity, margin profiles, defensibility against raw material cost movements, and growth (including growth of the end-user segment in many cases) In 2019, the Indian Specialty Chemical market is valued at USD 35 billion. Indian Specialty Chemical Industry is expected to grow at 10% till 2025.

1.3 ACTIVE PHARMA INGREDIENTS (API) INDUSTRY: GLOBAL & INDIAN

The pharmaceutical ingredients accounted for the largest specialty chemicals market share in 2019, and is anticipated to continue this trend during the forecast period. The spending on healthcare has grown at a rapid pace in recent years worldwide and this has directly benefited the Active Pharmaceutical Ingredients (API) market. According to Stratistics MRC, the Global Active Pharmaceutical Ingredients market is expected to grow from $129.12 billion in 2015 to reach $198.8 billion by 2022 with a CAGR of 6.4%.

DOMESTIC

The coronavirus pandemic has laid the need for an API manufacturing hot-spot other than China, and India has the potential to be one. While the production of generic drugs is bound to see some significant transformation as different countries are evolving to become active producers, India can step up and develop infrastructure for large scale manufacturing of APIs, thus enabling the India pharma sector to dominate the world market in future. It has presented India with a golden opportunity to build world-scale API industry and compete successfully with China in the global markets. If India builds a world-class and world-scale API industry, its export which is presently around $5 billion (25 per cent of total 2019-20 exports of $19-20 billion), can be scaled up to ultimately reach and exceed generic drug exports within 10 years.

2. OPPORTUNITIES & THREATS:

Strength & Opportunities

Your Company has been continuously striving to keep its costs to minimum possible to aggressively compete with Indian & global competitors. Your Company continues to work on economies of scale. The company falls under MSME sector due to which it enjoys various incentives. Company has great advantage of highly motivated manpower & this helps in continual process improvements & cost reductions. Due to in-house technical expertise, your Company has strength of versatility in product range & able to stand in the market competitively. Company being process driven, rather than product driven, gives strength to absorb sudden impacts, if any, on our various product demands. Our focus is on quality of product, long-term relationships, stable and sustainable operations and global best practices for suppliers and customers with end applications in APIs, dyes and pigments.

Your Company has in place greener technologies like CNG fired boilers, economizers etc. to save power and fuel costs. However, Variation in crude oil prices would always be area of concern. The Company was able to cope up with these pressures in the past due to strong operational efficiency. Company has successfully implemented ISO 50001:2018 and has got certification from the coveted BSI (British Standards Institute). The Company is now Energy Management Systems compliant and aims for continual improvement in energy performance, including energy efficiency, use and consumption.

3. RISKS AND CONCERNS:

Global Recession due to CoVID 19 pandemic : The novel coronavirus disease (COVID-19) pandemic and ensuing lockdowns in several parts of the world have led to a recession unmatched in eight decades. Combined with structural bottlenecks, this will amplify the long-term damage of deep recession associated with the pandemic. This would severely impact the demand side of the equilibrium and affect supply chains across the country and world. Your Company may be affected to that extent by the global recession.

Regulatory and environment: Like all chemical companies, your Company is subject to central, state and local laws and regulations relating to pollution, protection of the environment, greenhouse gas emissions, and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. Other areas of risks are accidents, fire or mishaps. However the Company is adequately insured and health and safety measures are always prioritised. Any major change in Environment Policy by Government can affect the production on short term basis.

Volatility in Raw Materials Prices: Volatility in the global prices of raw materials is also a major challenge faced by the chemical industry. Sharp corrections in the crude oil prices and prices of various raw materials procured by the Company can influence bottomline.

Slowdown in End User Industries: The slowdown in growth of industries such as Pharmaceuticals, Dyes & Pigments amongst others could impact the overall growth. However, your Company has an ability to shift the manufacturing towards those products which enjoy better demand-supply dynamics thereby sustaining profitability and insulating the operations from slowdown in a particular product category.

4. SEGMENT WISE PERFORMANCE:

Your Company operates in Single segment i.e. intermediates for bulk Drugs (API), Dyes & pigment industries segment. Your Company also had best capacity utilization in Chlorosulfonation & Oxidation facilities - manufacturing intermediates for bulk Drugs (API), Dyes & pigment industries.

5. OUTLOOK:

As we all are aware, the National Economy and the Businesses are going through difficult times due to the global pandemic, which has affected one and all. Your company, being under Essential Services Sector, was permitted to operate with restrictions during the lock down period. As a result, we partially resumed our production operations since 14th April, 2020, with limited workforce. However operational activities slowly improved and now, company is fully operational as normal from the month of June, 2020. Your Company operated at low capacity during the lockdown period, hence there has been corresponding loss in production and business during the period. Our one of the end users, the Pharma Industry's demand is stable and improving and we expect to recover from the impact of Lockdown closure in this fiscal year. There have been no impact/bottlenecks in import of major raw materials and exports of finished products and the Company does not foresee any bottlenecks in the future also. None of the assets of the Company have been impacted or impaired by the pandemic.

Company is hopeful of obtaining requisite Environmental clearances during the year, which can enable company to add capacities & grow. Overall the outlook of Company in this pandemic situation is stable and positive.

6. ENVIRONMENT HEALTH & SAFETY:

Your Company has appropriate Waste Management Systems for Air, liquid & solids. Safe disposal of waste, treating effluents to manufacture an eco-friendly by- product and In-house team ensuring pollution control & energy conservation - are some of the ways adopted by Company to operate in an eco-friendly manner. Continuously, the Company has used techniques to reduce the effluent generation in the process, utility and domestic areas across units to reduce the entire effluent stream. Environmental requirements are incorporated into the plant design right from the preliminary stage of a process. Air scrubbers, dust filters, fire protection systems and Effluent Treatment Plants are in place & well maintained. Your Company is also member of CETPs for their various liquid effluents. Regular safety drills ensure that readiness for safety gets top priority. The Company will strive to further improve to create safer working conditions for the workers.

7. INTERNAL CONTROL SYSTEM :

Your Company has sound and adequate internal control systems commensurate with its size and nature of business. We constantly upgrade our systems for incremental improvements. The Audit Committee of the Board periodically reviews these systems. These systems ensure protection of assets and proper recording of transactions and timely reporting. Internal audit is conducted by an independent professional firm on regular basis. The Audit Committee also regularly reviews the reports of the Statutory Auditors, and Internal Auditors. The Company has successfully implemented ERP solution in order to enhance the internal control systems in procurement, planning, production, dispatch, operations and accounts & finance departments.

8. FINANCIAL & OPERATIONAL PERFORMANCE :

Your Company has grown progressively on year-to-year basis through rise in sales volume and profitability and has a stable outlook for the future. During the FY 2019-20, the Company continued to maintain the Topline (Revenue) and registered a growth of around 4.6% and the Bottomline growth by 14.26% as compared to FY 2018-19. During the year production capacity was optimally utilized with better sales realization and selection of niche products for increasing profitability . We have been able to improve our Operating Profit Margin (OPM 26.60%)) and Net Profit Margin (NPM 18.53%) this FY 2019-20 by around 8% and 10% respectively as compared to previous FY 2018-19. The Net Profit and EPS registered a growth of 14.26%. Value in our industry is all about creating and delivering quality, while keeping costs in check and almost every value focused agency in our sector is working towards that goal. We are working not only towards top line growth, but also for bottom line growth.

For the coming year, although the overall economy and business scenario is grim across all sectors, but we forsee the outlook of your company as quite positive and stable. With a combination of efficient planning, expanding production, timely delivery, and the relentless efforts we shall definitely do our best to overcome all odds and deliver yet another fulfilling year ahead.

9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

Human capital has always been the most important and valuable asset for the Company. Your Company continued its activities during the year in a cordial atmosphere with utmost co-operation amongst employees and the management. As of the date of the report, the total number of the employees of Company is 76. The management is committed to promote safety, occupational health and proper environment in designing, planning, training and completion of all tasks. Regular trainings are imparted to workmen in various areas.

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

Sd/-
GIRISHKUMAR SHAH
CHAIRMAN

Place: Vadodara
Date: July 10, 2020

2.2 Annexure- II to the Board's Report 2019-20

Secretarial Audit Report

(For the Financial year ended on 31st March, 2020)
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
CHEMCRUX ENTERPRISES LIMITED
330. TRIVIA Complex
Natubhai Circle, Racecourse
Vadodara – 390 007

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2020, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.

2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.

3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings.

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').

A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

D. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. - Not Applicable to the Company during the Audit Period.

E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. - Not Applicable to the Company during the Audit Period.

F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2011 regarding the Companies Act and dealing with client.

G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. - Not Applicable to the Company during the Audit Period. and

H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. - Not Applicable to the Company during the Audit Period.

We have also examined compliance with the applicable clauses of the following: (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Further, as per representation of management letter, considering its nature of business, process and location, the following Acts are specifically applicable to the Company.

1. The Water (prevention and control of pollution) Act, 1974 & Rules.
2. Air (Prevention & Control of Pollution) Act, 1981 & Rules.
3. Environment Protection Act, 1986 & Rules.
4. Hazardous Waste (Management & Handling) Rules, 1989.
5. Indian Boiler Regulations, 1950.

There are adequate systems and processes in the company to monitor and ensure compliance.

We further report that.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least 7 days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the Audit period, all the decisions were taken by the Board of Directors or Committee of the Board without any dissent by any of the Directors of the Company as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Kashyap Shah & Co.
Practising Company Secretaries

(Kashyap Shah)
Proprietor
FCS No. 7662. CP No. 6672 **Place : Vadodara**
UDIN: F007662B000425926 **Date : 08/07/2020**

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

Annexure to Secretarial Audit Report

To,
The Members,
CHEMCRUX ENTERPRISES LIMITED
330. TRIVIA Complex
Natubhai Circle, Racecourse
Vadodara – 390 007

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company

For Kashyap Shah & Co.
Practising Company Secretaries

Sd/-
(Kashyap Shah)
Proprietor
FCS No. 7662. CP No. 6672

Place: Vadodara
Date: 08/07/2020

2.3 Annexure- III to the Board's Report 2019-20

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions **not at arm's length basis** : **NIL**

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts/ arrangement/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any	Date of special resolution as per first proviso to section 188

2. Details of material contracts or arrangement or transactions **at arm's length basis** : **NIL**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangement/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Amount paid as advances, if any

For and on behalf of the Board
CHEMCRUX ENTERPRISES LIMITED

Place: Vadodara
Date: 10/07/2020

Sd/-
GIRISHKUMAR C SHAH
Chairman

CHEMCRUX ENTERPRISES LTD.

2.4 Annexure-IV to the Board's Report 2019-20

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2019-20

1. **Company's CSR Policy –** The Company's CSR Policy containing interalia the specified areas for proposed CSR activity is available on the website of Company at the link - www.chemcrux.com/investor-info.php under investors info/Corporate Policy.

2. **Composition of CSR Committee –** The CSR Committee consists of Directors :–
   Mr. Sanjay Marathe (Chairman & MD),
   Mrs. Sidhdhi G. Shah (Non Executive Director) and
   Mr. Shailesh Patel (Independent Director).

3. **Average Net profit of the Company for last three financial years :** Rs. 6,65,33,773

4. **Prescribed CSR Expenditure :** Rs. 13,30,675 (2% of Average Net Profit)

5. **Details of CSR spent during the financial year**
   (i) Total Amount to be spent for the FY 2019-20 : Rs. 13,30,675/-
   (ii) **Amount unspent, if any :** Rs. 34,675/-
   (iii) Manner in which the amount spent during the financial year is detailed below:

SR. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programs - Local Area or other	Amount outlay (Rs)	Amount spent on the projects (Rs)	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing Agency
1	Providing Medical Aid to the Amarnath Yatris	Health Care	Local Area of Vadodara	25,000/-	25,000/-	NA	Through NGO – Maa Shivani Rang Amarnath Charitable Trust (Regn No. E/6985/ Vadodara)
2.	Promoting Special Education	Special Education	Local Area of Vadodara	21,000/-	21,000/-	NA	Through NGO – Friends Society (Regn No. Guj/351/Vadodara
3.	Providing Medical and Helathcare Aids	Medical & Health Care	Local Area of Ankleshwar	12,50,000/-	12,50,000/-	NA	CSR Donation to Jayaben Mody Hospital, Ankleshwar
	TOTAL			**12,96,000**	**12,96,000**		

6. The Company could not find suitable areas for spending unspent CSR amount of Rs. 34,675/- (3% of the total prescribed CSR expenditure for FY 2019-20)

7. We hereby declare and confirm that the implementation and monitoring of CSR Activities is in compliance with CSR objectives and Policy of the Company.

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

Sd/-
Girishkumar Shah
Whole Time Director

Sd/-
Sanjay Marathe
Managing Director & Chairman of CSR Committee

INDEPENDENT AUDITOR'S REPORT

To,
The Members of CHEMCRUX ENTERPRISES LIMITED

Report on the Standalone Financial Statements
Opinion

We have audited the accompanying Financial Statements of CHEMCRUX ENTERPRISES LIMITED ("the Company") which comprise the Balance sheet as at 31st March, 2020, the Statement of Profit & Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2020, and profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw your attention to Note 46 to the financial results which explain the management's assessment of the financial impact due to lock- downs and other restrictions and conditions related to COVID-19 pandemic situation.

Our opinion is not modified in respect of this matter.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give 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 the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility

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

A further description of the auditor's responsibilities for the audit of the financial statements is located in Appendix A. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 ("the order") issued by the Central Government in terms of section 143 (11) of the Companies Act, 2013, we enclose in the Annexure-A, a statement on the matters specified in paragraph 3 & 4 of the said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our Audit;

   b) In our opinion, proper books of accounts as required by the law have been kept by the Company, so far as appears from our examination of the said books;

   c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts of the Company;

   d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of written representations received from the directors, as on 31st March, 2020, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2020 from being appointed as a director of the Company in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate report in Annexure – B attached herewith.

   g) The remuneration paid by company to its directors is in accordance with the provisions of section 197 of the companies Act 2013 read with Schedule V and is not in excess of the limits specified therein

   h) With respect to the other matters to be included in our Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has no pending litigation as on the balance sheet date.

(ii) There are no long term contracts for which provision is required.

10. There has been no delay in transferring amounts required to be transferred to the Investor Protection Fund by the Company.

FOR, R J SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.R.N. 109752W)

Sd/-
CA ROHIT SHAH
PARTNER
(M R N : 034139)
UDIN :20034139AAAAAP8155

Date : 16/06/2020
Place: Vadodara

Appendix A to Independent Auditor's Report

Further description of Auditor's responsibilities for audit of financial statements

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

FOR, R J SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.R.N. 109752W)

Sd/-
CA ROHIT SHAH
PARTNER
(M R N : 034139)
UDIN : 20034139AAAAAP8155

Date : 16/06/2020
Place: Vadodara

"ANNEXURE – A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date for the year ended 31st March 2020 of Chemcrux Enterprises Limited)

(i) (a) The Company has maintained proper records of Fixed Assets purchases. However, as informed to us the Company is in the process of updating its old records and Fixed Assets Register showing full particulars including quantitative details and the situation of Fixed Assets.

(b) The Company has a regular program of physical verification of its Fixed Assets by which the Fixed Assets are verified in phased manner over a period of time. In accordance with its program, certain Fixed Assets were verified during the year and as informed to us, no material discrepancies were noticed on such verification. In our opinion, the program of verification is reasonable having regard to the size of the Company and the nature its Assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.

(ii) In our opinion and to the best of our knowledge the physical verification of inventories has been conducted at reasonable intervals by the management of the Company. On the basis of our examination of the records of inventory, we are of the opinion that the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.

(iii) The Company has not granted any loan, secured or unsecured, to Companies, Firms or Other Parties covered in the register maintained u/s. 189 of the Companies Act, 2013 during the year under report. Consequently, no comments are necessary on Para (iii) (a) (b) & (c) of CARO 2016.

(iv) The Company has not granted any loans or advances or has not given any guarantee or has not acquired securities of any other body corporate exceeding sixty percent of its paid up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more and hence the question of compliance of Section 185 and 186 of Companies Act, 2013 doesn't arise.

(v) The Company has not accepted any deposits within the meaning of Section 2(31) of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and hence the compliance to the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the Rules framed there under are not applicable. No order has been passed by Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

(vi) We have broadly reviewed the cost records maintained by the company for its products pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed cost records have been made and maintained. However, we have not made a detailed examination of these records with a view to determine whether they are accurate or complete.

(vii) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Custom Duty and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to the Company were outstanding, as at 31stMarch, 2020 for a period of more than six months from the date they became payable.

(b) According to the records of the company, there are no dues of Sales Tax, Income Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax or Goods and Service Tax which have not been deposited on account of any dispute.

(viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or banks. The Company has not issued any debentures.

(ix) The Term Loans raised during the year has been applied for the purpose for which it was raised. During the year under audit, the company has not raised moneys by way of public offer

(x) During the course of our audit, we have not noticed any fraud done by the Company or any fraud on the Company by its officers or employees.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR, R J SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.R.N. 109752W)

Sd/-
CA ROHIT SHAH
PARTNER
(M R N : 034139)
UDIN : 20034139AAAAAP8155

Date : 16/06/2020
Place: Vadodara

CHEMCRUX ENTERPRISES LTD.

CHEMCRUX ENTERPRISES LTD. - BALANCE SHEET AS AT 31ST MARCH 2020

Particulars	Notes	31/03/2020 (Rs)	31/03/2019 (Rs)
(I) EQUITY AND LIABILITIES			
(1) SHARE HOLDERS FUND			
(a) Share capital	3	4,93,62,800	4,93,62,800
(b) Reserves and Surplus	4	27,47,96,705	18,91,65,015
(2) SHARE APPLICATION MONEY PENDING ALLOTMENT		-	-
(3) NON-CURRENT LIABILITIES			
(a) Long-Term Borrowings	5	1,04,96,265	1,98,24,578
(b) Deferred Tax Liabilities (Net)	6	98,90,008	1,08,05,818
(c) Long-Term Provisions	7	-	-
(4) CURRENT LIABILITIES			
(a) Short-Term Borrowings	8	-	22,65,769
(b) Trade Payables	9	2,48,71,526	4,32,78,123
(c) Other Current Liabilities	10	3,97,89,874	3,29,26,837
(d) Short-Term Provisions	11	3,63,00,000	3,85,00,000
TOTAL		**44,55,07,178**	**38,61,28,940**
(II) ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property Plant and Equipment	12		
(i) Tangible assets		15,40,22,748	11,24,18,708
(ii) Intangible Assets		-	-
(ii) Capital work-in-progress		-	-
(iv) Intangible Asset under Development		-	-
(b) Non-Current Investments	13	4,67,030	4,67,030
(c) Long-Term Loans and Advances	14	1,36,47,514	1,26,09,324
(d) Other Non-Current Assets	15	-	11,33,351
(2) CURRENT ASSETS			
(a) Inventories	16	4,55,37,274	4,10,86,295
(b) Trade Recievables	17	9,40,75,747	10,83,37,507
(c) Current Investments	18	6,48,34,547	3,84,64,851
(d) Cash and Cash Equivalents	19	2,88,90,064	3,17,58,593
(e) Short-Term Loans and Advances	20	4,18,21,582	3,68,70,879
(f) Other Current Assets	21	21,75,672	29,82,402
TOTAL		**44,54,72,178**	**38,61,28,940**
Notes forming part of the Financial Statements	1 to 47		

The Notes referred to above form an integral part of the Financial Statement As per our Report of Even Date

For R.J. Shah & Associates
Chartered Accountants
(FRN 109752 W)

Sd/-
CA Rohit Shah
Membership No. 034139

Place : Vadodara
Date : 16th June, 2020

For & on behalf of the Board
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Chairman & Whole Time Director

Sd/-
Sanjay Marathe
Managing Director

Sd/-
Sushilkumar Tripathi
CFO

Sd/-
Ekta Kumari
Company Secretary

CHEMCRUX ENTERPRISES LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

	Particulars	Notes	31/03/2020(Rs)	31/03/2019(Rs)
I	Revenue From Operations	24	57,44,96,210	55,27,31,473
II	Other Income	25	86,53,892	49,47,168
III	**Total Revenue (I + II)**		**58,31,50,102**	**55,76,78,641**
IV	**Expenses:**			
	Cost of Materials Consumed	26	21,19,61,996	21,77,07,940
	Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	27	(48,24,057)	16,49,921
	Employee Benefits Expenses	28	5,80,04,829	3,98,69,870
	Financial Costs	29	32,17,515	28,03,699
	Depreciation and Amortization Expenses		1,17,61,183	1,25,59,369
	Other Expenses	30	16,19,66,071	15,93,46,603
	Total Expenses		**44,20,87,537**	**43,39,37,402**
V	Profit Before Exceptional / Extra Ordinary Items & Tax (III - IV)		**14,10,62,565**	**12,37,41,239**
VI	Exceptional items (Prior Period Expense)		13,000	-
VII	Profit before Extraordinary Items & Tax (V - VI)		**14,10,49,565**	**12,37,41,239**
VIII	Extraordinary Items			
	Less: Prior Year's Income Tax Adjustment		(7,60,445)	2,65,402
IX	**Profit Before Tax (VII - VIII)**		**14,18,10,010**	**12,34,75,837**
X	**Tax expense :**			
	(1) Current tax		3,63,00,000	3,85,00,000
	(2) Deferred tax		(9,15,810)	(81,79,195)
XI	**Profit/(Loss) from Continuing Operations (IX-X)**		**10,64,25,820**	**9,31,55,032**
XII	Profit/(Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	**Profit/(loss) from Discontinuing Operations (after tax) (XII - XIII)**		-	-
XV	**Profit / (Loss) for the Period (XI+XIV)**		**10,64,25,820**	**9,31,55,032**
XVI	Earning per Equity Share:			
	Basic		21.56	18.87
	Notes forming part of the Financial Statements	1 to 47		

The Notes referred to above form an integral part of the Financial Statement As per our Report of Even Date

For R.J. Shah & Associates
Chartered Accountants
(FRN 109752 W)

Sd/-
CA Rohit Shah
Membership No. 034139

Place : Vadodara
Date : 16th June, 2020

For & on behalf of the Board
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Chairman & Whole Time Director

Sd/-
Sushilkumar Tripathi
CFO

Sd/-
Sanjay Marathe
Managing Director

Sd/-
Ekta Kumari
Company Secretary

CHEMCRUX ENTERPRISES LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Sr.	Particulars	For the Year ended 31.3.2020 Amount (Rs.)	For the Year ended 31.3.2019 Amount (Rs.)
A.	**Cash flow from Operating Activities :**		
	Net Profit before Tax & Extra Ordinary Items	***14,18,10,010***	***12,34,75,837***
	Adjustment for :		
	Depreciation & Write-offs	1,17,61,183	1,25,59,369
	Interest & Financial Charges	32,17,515	28,03,699
	Gratuity Non Cash Adjustment for AS 15	18,59,470	-
	(Profit) / Loss on Sale of Asset	3,35,064	73,89,324
	(Profit) / Loss on Sale of units of Mutual Fund	(38,64,696)	(12,01,804)
	Operating Profit before Working Capital Changes	*15,51,18,546*	*14,50,26,425*
	Adjustments for :		
	(Increase)/Decrease in Trade Receivables	1,42,61,760	(4,43,85,858)
	(Increase)/Decrease in Inventories	(44,50,979)	(1,00,88,663)
	(Increase)/Decrease in Loans & Advances	(59,88,893)	(2,67,40,468)
	(Increase)/Decrease in Other Current Assets	9,20,820	1,09,79,376
	(Increase)/Decrease in Other Non-Current Assets	11,33,351	14,88,267
	(Increase)/Decrease in Other Non Current Investments	-	-
	Increase/(Decrease) in Trade Payables	(1,84,06,597)	68,26,185
	Increase/(Decrease) in Provisions	(22,00,000)	2,68,77,042
	Increase/(Decrease) in Other Current Liabilities	68,63,037	90,33,508
	Cash Generated from Operations	*14,72,51,045*	*11,90,15,815*
	Gratuity Paid	*19,73,560*	-
	Direct Taxes Paid	3,63,00,000	3,85,00,000
	Cash Flow before Extra Ordinary Items	*10,89,77,485*	*8,05,15,815*
	Extra Ordinary Items	-	-
	Net Cash Flow from Operating Activities	**10,89,77,485**	**8,05,15,815**
B.	**Cash flow from Investing Activities**		
	Purchase of Fixed Assets	(5,37,50,287)	(2,57,56,047)
	Net Proceeds From Sale of Asset	50,000	9,25,000
	Purchase of Mutual Fund Units	(13,48,39,547)	(5,70,00,000)
	Sale of Mutual Fund Units	11,23,34,547	3,00,00,000
	Net Cash used in Investment Activities	**(7,62,05,287)**	**(5,18,31,047)**
C.	**Cash Flow from Financing Activities**		
	Increase/(Decrease) in Share Capital	-	-
	Increase/(Decrease) in Short Term Borrowings	(22,65,769)	(1,02,55,037)
	Increase/(Decrease) in Long Term Borrowings	(93,28,313)	22,57,794
	Interest Paid	(32,17,515)	(28,03,699)
	Dividend Paid	(2,08,29,130)	(14,87,795)
	Net Cash used in Financing Activities	**(3,56,40,727)**	**(1,22,88,737)**
D.	Net Increase/(Decrease) in Cash and Cash Equivalents	(28,68,529)	1,63,96,031
	Cash and Cash Equivalents (Opening)	3,17,58,593	1,53,62,562
	Cash and Cash Equivalents (Closing)	**2,88,90,064**	**3,17,58,593**

For R.J. Shah & Associates
Chartered Accountants
(FRN 109752 W)

Sd/-
CA Rohit Shah
Membership No. 034139

Place : Vadodara
Date : 16th June, 2020

For & on behalf of the Board
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Chairman & Whole Time Director

Sd/-
Sanjay Marathe
Managing Director

Sd/-
Sushilkumar Tripathi
CFO

Sd/-
Ekta Kumari
Company Secretary

5. NOTES FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS ANNEXED THERETO:

1. *General Information of the Company :*

Chemcrux Enterprises Limited ("the company") was incorporated in April 1996 to undertake the business of manufacturing or processing of Bulk Drug Intermediates like Para Chloro Benzoic, Ortho Benzoic Acid, and Lasamide etc.

The Company started its business activities in the year 2000-01 by taking over the running business of M/s. Chemcrux, a partnership firm of the promoters, as a going concern. The Company made its Initial Public Offering in March, 2017 and met with overwhelming response wherein the public offering was oversubscribed by more than 55 times, a testament to the growth story and future outlook of the Company & was listed on the Bombay Stock Exchange on 28th March, 2017.

The Company has grown progressively on year-to-year basis through addition of new products as well as continuous upgradation and expansion of its manufacturing facilities. The Company has a healthy turnover and profit track record and has a robust outlook for the future.

2 . *Significant Accounting Policies :*

I. *Method of Accounting :*

The accounts of the Company are prepared under the Historical Cost Convention and using the accrual method of accounting unless otherwise stated hereinafter, in accordance with the provisions of Companies Act, 2013('the Act") to comply in all material aspects, with the mandatory accounting standards specified u/s. 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 in conformity with accounting principles generally accepted in India. Accounting Policies, not specifically referred to, are consistent and in consonance with generally accepted accounting principles.

II. *Use of Estimates:*

The Preparation and Presentation of Financial Statements as per the above bases required the management to make estimates and assumptions that may affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the balance sheet and the reported amounts of incomes and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimated.

III. *Fixed Assets & Depreciation :*

a. Fixed Assets are stated at their cost of acquisition less accumulated depreciation. The cost of acquisition includes freight, installation cost, duties, taxes and other incidental expenses, identifiable with the asset, incurred during the installation / construction stage in order to bring the assets to their working condition for intended use, including borrowing costs capitalized, if any, but are net of tax credits (GST) availed for the relevant element in the cost.

b. Depreciation on assets is being provided on the Straight Line Method on the basis of useful lives specified in Part C of Schedule II to the Companies Act, 2013. Depreciation on additions during the year as well as in case of assets sold during the year has been provided pro-rata on the basis of number of days for which the asset was used during the year.

IV. *Inventory :*

a. Raw Materials are valued 'at Cost' on FIFO basis. 'Cost' includes all duties, taxes and other expenses incurred to bring the inventories to their present location and condition.

b. Finished products are valued at lower of cost or net realizable value and including the excise duty payable on this stock.

c. Semi-Finished Goods have been valued at Raw Material cost increased by a proportion of overheads and semi-finished goods of job work valued at cost of own raw materials involved in the process increased by overheads in consonance with the stage of completion as certified by the management.

V. ***Employee Benefits :***

a. Employee Benefits comprise short term as well as long term defined benefit as well as defined contribution plans.

b. Contributions to Provident Fund and Employee State Insurance are defined contributions. The Company's Contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no further obligations beyond the periodic contributions.

c. Retirement Benefits in form are Gratuity are defined benefit obligations and are provided for on the basis of actuarial valuation using projected unit credit method as at the balance sheet date. Actuarial gain / losses are immediately taken to the profit and loss account and are not deferred.

d. In terms of the Management Policy for availment of leave by the employees during the year itself, no provision for leave encashment is required as at the year end.

VI. ***Sales / Turnover and Income Recognition :***

a. Revenue is recognized on transfer of property in goods or on transfer of significant risks and rewards of ownership to the buyer, for a consideration, without the seller retaining any effective control over the goods.

b. Sales are accounted on dispatch of goods (which generally coincides with the transfer of ownership) and are net of Goods and Service tax.

c. Export sales are accounted at their CIF value based on the actual realization in Indian Rupees according to the realization certificates of the Banks.

d. Other items of income such as Interest, Claims etc are accounted on accrual basis (depending on certainty of realization) and disclosed under the head "Other Income".

VII. ***GST and Input Tax Credit :***

a. Purchases and Sales are accounted exclusive of GST element and net of recoveries, if any.

b. A Comprehensive Goods & Services Tax (GST) was introduced w.e.f.01.07.17, subsuming majority of Indirect Taxes especially Excise Duty and VAT. GST is a destination based tax and is levied at the point of supply. It is collected on sale of goods and services on behalf of Government and is remitted by way of payment or adjustment of credit on input goods or services.

c. Accordingly, Purchases & Sales are accounted net of GST. Similarly, other items of expenditure on which credit for GST is available ore items or revenue on which GST is chargeable are also accounted net of GST elements.

d. GST Accounts are created under Balance Sheet Groupings for liability towards GST collected on Sales / Other Revenue and asset towards GST paid on purchases or other expenditure for which credit is available. For Each month / quarter, as applicable, the GST liability is worked out after offsetting the credit available against the GST collected.

e. The Net GST Account appears in the Balance Sheet as a Liability under Current Liabilities – Statutory Liabilities, if any amount is payable as at the year-end after offsetting the available credit and as an Asset under Loans & Advances - Indirect Taxes Recoverable from Statutory Authorities if credits remain unutilized after adjusting the amount payable.

VIII. ***Foreign Currency Transactions :***

Transactions in foreign currency are recorded in Indian Rupees at the exchange rate prevailing on the date of the transactions. Exchange gains or losses on settlement, if any, are treated as income or expenditure respectively in the Statement of Profit and Loss. Liabilities in foreign currency as well as receivables in foreign currency as on the date of the Balance Sheet have been restated into Indian rupees at the rates of exchange prevailing as on the date of Balance Sheet.

IX. ***Borrowing Costs :***

According to AS-16, borrowing costs that are directly attributable to the acquisition of qualifying assets are to be capitalized for the period until the asset is ready for its intended use. A qualifying asset being, an asset that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are to be recognized as an expense in the period in which they are incurred.

X. ***Investments :***

Investments are classified as current and non-current investments. Current Investments are those that are not intended to be held for more than one year from the date of investment. All other investments are classified as non-current investments.

Non-current investments are stated at cost. Cost is taken net of any rebates / subsidies received on account of the said Investment. Provision for diminution in the value of such investments is made to recognize a decline, if any, other than temporary, in their value. Current investments are valued at lower of cost or fair value.

XI. ***Accounting for Taxes on Income :***

a. Provision for taxation for the year under report includes provision for current tax as well as provision for deferred tax.

b. Provision for Current tax is made, based on tax estimated to be payable as computed under the various provisions of the Income Tax Act, 1961.

c. Deferred tax is recognized, subject to prudence, on timing differences between taxable income and accounting income that originate during the year and are capable of being reversed in one or more subsequent periods. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax Liabilities / Assets are quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

XII. ***Contingencies / Provisions :***

Provisions requiring a substantial degree of estimation in measurement are recognized, if in the opinion of the Management, there is a probability that a present obligation as a result of past events will result in an outflow for the Company in the future. Contingencies, the outcome of which is not certain, have been disclosed in these notes as Contingent Liabilities. Contingent Assets are neither recognized nor disclosed in the financial statements

XIII. ***Impairment of Assets :***

Assessment of Impairment of Assets (as covered under AS-28 Impairment of Assets) is done as at the Balance Sheet Date considering external and internal impairment indicators. If there is an indication that an asset may be impaired, its recoverable amount is estimated and the impairment loss duly provided for.

XIV. ***Public Issue Expenditure :***

Expenditure incurred on the Public Issue of Shares of the Company (net of subsidy received against the same) is being amortized over a 3 year period starting from the date of allotment of shares to the applicants.

XV. Prior Period and Extra Ordinary items and Changes in Accounting Policies, having a material bearing on the financial affairs of the Company are disclosed separately.

NOTES FORMING PART OF BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2020

3. SHARE CAPITAL :

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	AUTHORISED		
	60,00,000 { p.y. 60,00,000 } Equity Shares of `10/- each	**6,00,00,000**	**6,00,00,000**
(b)	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL.		
	* 49,36,280 { p.y. 49,36,280 }Equity Shares of ` 10/- each	4,93,62,800	4,93,62,800

* (of which 1800140 equity shares of Rs.10/- each issued as fully paid up bonus shares by capitalisation of free reserves during F.Y 2016-17)."

(c) RECONCILIATION OF NUMBER OF SHARES

Particulars	31st March, 2020		31st March, 2019	
	No. of Shares	Amount `	No. of Shares	Amount `
Balance at the Beginning (Nos.)	49,36,280	4,93,62,800	49,36,280	4,93,62,800
Addition / (Reduction)	-	-		-
Balance at the end (Nos.)	**49,36,280**	**4,93,62,800**	**49,36,280**	**4,93,62,800**

(d) The Company has a single class of equity shares having par value of Rs. 10/- per equity share. All shares rank pari passu with reference to all rights relating thereto. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all the preferential amounts, in proportions to their shareholding.

(e) DETAILS OF SHARES HELD BY SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY :

Name of Equity Shareholder	31st March, 2020		31st March, 2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Promoter Group				
Girish C Shah	18,00,080	36.466	18,00,080	36.466
Sanjay Y Marathe	18,00,080	36.466	18,00,080	36.466
Other than Promoters	-	-		-

(f) The Board of Directors, in its meeting held on 27.02.2020 have declared and paid an interim Dividend of 30% i.e Rs.3/- per equity share for the Financial Year ended 31st March, 2020. The said proposal resulted in a cash outflow of Rs. 1,78,53540/- approximately including corporate dividend tax. The Board of Directors, in its meeting held on 16/06/2020 have proposed a Final Dividend of 10% i.e Rs.1/- per equity share for the Financial Year ended 31st March, 2020. The said proposal would result in a cash outflow of Rs. 49,36,280/-.

The said proposal of Interim dividend and Final dividend are subject to the approval of the shareholders at the ensuing Annual General Meeting.

4. RESERVES & SURPLUS :

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	**SECURITIES PREMIUM RESERVE**		
	Balance as at the beginning of the year	1,06,88,000	1,06,88,000
	Add : Securities Premium received during the year	-	-
	TOTAL ` (a)	**1,06,88,000**	**1,06,88,000**
(b)	**SURPLUS IN THE STATEMENT OF PROFIT AND LOSS**		
	Balance as at the beginning of the year	17,84,77,015	8,68,09,778
	Add : Profit for the year	10,64,25,820	9,31,55,032
	Less : Appropriations :		
	Final Dividend (2018-19)	24,68,140	12,34,070
	Interim Dividend (2019-20)	1,48,08,840	
	Corporate Dividend Tax on Dividend	35,52,150	2,53,725
	TOTAL ` (b)	**26,40,73,705**	**17,84,77,015**
	TOTAL ` (a+b)	**27,47,61,705**	**18,91,65,015**

5. LONG TERM BORROWINGS :

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	**SECURED :**		
	Term Loans :		
	From KotaK Mahindra Bank Ltd.	88,92,098	1,73,57,637
	From Kotak Mahindra Prime Ltd (Car Loans)	6,12,379	15,42,240
		95,04,477	**1,88,99,877**
(b)	**UNSECURED :**		
	From Directors	9,91,788	9,24,701
		9,91,788	**9,24,701**
	TOTAL `	**1,04,96,265**	**1,98,24,578**

Balances of Term Loans from Kotak Mahindra Bank Ltd include :

a. Term Loan of Rs. 67.56 lacs, secured against all existing and future receivables, current assets and movable fixed assets .Rate of Interest is 6m MCLR 8.80%(at the time of sanction) + 0.20% i.e. 8.82%. The installments commenced from January 2018 and last installment is due in December 2020.

b. Term Loan of Rs. 145.76 lacs secured against all existing and future receivables, current assets and movable fixed assets. Rate of Interest is 6m MCLR 8.80%(at the time of sanction) + 0.20% i.e. 8.82%. The installments commenced from February 2018 and last installment is due in January 2023.

c. Term Loan of Rs. 82.23 lacs secured against all existing and future receivables, current assets and movable fixed assets. Applicable Rate of Interest is 6m MCLR 8.80%(at the time of sanction) + 0.20% i.e. 8.82%. The installments commenced from June 2018 and last installment is due in May 2023.

d. The above facilities are further secured by collateral security of Factory Land, Building at GIDC, Ankleshwar and hypothecation of existing Plant & Machinery and also personal guarantee of two Directors.

Balances of Term Loans from Kotak Mahindra Prime Ltd include :

a. Term loan for purchase of Car and secured against hypothecation of the same. The Loan is repayable in 60 equated monthly installments starting from 05th December 2017 with last installment payable on 05th November 2022. Rate of Interest. : 8.64%

b. Term loan for purchase of Car and secured against hypothecation of the same. The Loan is repayable in 36 equated monthly installments starting from 01st May 2019 with last installment payable on 01st April 2022. Rate of Interest : 10.9%

Unsecured Loans :
The amount taken as unsecured loans from Directors are usually payable on demand but the company reserves its right to defer the payment of the same for a period exceeding 12 months. Interest on the same has been paid @ 12% p.a. only to the Non-Executive Directors.

6. DEFERRED TAX LIABILITIES (NET) :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Deferred Tax Liabilities	98,90,008	1,08,05,818
(difference between accounting and tax depreciation)		
Net Deferred Tax Liabilities as at the year end	98,90,008	1,08,05,818

7. LONG TERM PROVISIONS :

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	Provision for Employee Benefits		
	Provision for Gratuity (Net)	-	-
(b)	Others	-	-
	TOTAL `	-	-

8. SHORT TERM BORROWINGS :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
SECURED :		
From Kotak Mahindra for Working Capital	-	22,65,769
(repayable on demand)		
	-	22,65,769

[*] During the year the company has discontinued availment of Cash Credit facilities and hence in turn availed constant Over Draft limit of Rs. 100 lacs, which bears interest of 6m MCLR 8.80% (at the time of sanction) + 1.20% with 6 monthly reset. The facilities are secured by collateral security of factory land and guarantee of two directors of the Company. The balance against Over draft account as at year end was a debit balance and hence reflected under note 19, Balances with banks. However the limits were subsisting at the year end.

9. TRADE PAYABLES :

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	Sundry Creditors for Goods	2,48,71,526	4,32,78,123
(b)	Sundry Creditors for Capital Goods	-	-
	TOTAL `	2,48,71,526	4,32,78,123

* Sundry Creditors are as per books and have not been corroborated by circulation / confirmation of balances.

Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006
** Sundry Creditors for Materials and services do not include any amount outstanding to Micro & Small Enterprises. The above information has been compiled in respect of parties to the extent they could be identified as Micro and Small Enterprises on the basis of information collected and available with the Company and same

has been relied upon by the auditors. Regarding Other Sundry Creditors, the Company does not have information regarding their status as Micro & Small Enterprises.

The Company deals with various Micro and Small Enterprises on mutually accepted terms and conditions. Accordingly, no interest is payable if the terms are adhered to by the Company. Consequently, no interest has been paid or is due and no provision for interest payable to such units is required or has been made under Micro, Small and Medium Enterprises Development Act, 2006.

10. OTHER CURRENT LIABILITIES :

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	Current Maturities of Long Term Debts		
	- Kotak Mahindra Prime Ltd - Term Loans (Installments due within one year	9,30,830	14,88,885
	- Kotak Mahindra Bank Ltd - Term Loans (Installments due within one year	77,79,862	58,86,166
(b)	Interest Accrued but not due on borrowing	1,20,976	1,78,658
(c)	Interest Accrued and due on borrowings	-	-
(d)	Incomes Received in Advance	-	-
(e)	Unpaid Dividends	3,98,000	2,000
(b)	Others Payables :		
	- Creditors for Expenses	1,68,39,876	1,25,51,806
	- Statutory Liabilities	49,21,458	34,99,315
	- Other Payables	73,75,835	85,21,592
	- Advances Received from Customers	14,23,037	7,98,415
	TOTAL `	3,97,89,874	3,29,26,837

11. SHORT TERM PROVISIONS :

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	Provision for Employee Benefits	-	-
(b)	Provision for Current Taxation	3,63,00,000	3,85,00,000
	TOTAL `	3,63,00,000	3,85,00,000

12. FIXED ASSETS :-

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Balance as on 01/04/2019	Additions during the Year	Deduction / Disposal	Balance as on 31-03-2020	Balance as on 01/04/2019	Deductions	Depreciation for the year `	Balance as on 31-03-2020	As on 31/03/2020	As on 31/03/2019
Tangible Assets										
Land	46,00,614	1,55,30,778	-	2,01,31,392	-		-	-	2,01,31,392	46,00,614
GIDC Quarter	1,83,415	-	-	1,83,415	64,372		-	64,372	1,19,043	1,19,043
Factory Building	2,23,36,064	1,96,93,383	-	4,20,29,447	50,91,864		8,47,960	59,39,824	3,60,89,623	1,72,44,200
Office Equipment	13,71,823	5,15,710	-	18,87,533	8,78,313		2,27,134	11,05,447	7,82,086	4,93,510
Office Premises	6,67,062	-	-	6,67,062	6,17,666		-	6,17,666	49,396	49,396
Furniture & Fixtures	13,69,538	4,57,658	-	18,27,196	3,65,826		1,47,767	5,13,593	13,13,603	10,03,712
Plant & Machinery	11,31,45,524	1,57,58,869	11,04,335	12,78,00,058	3,39,16,426	7,19,271	91,26,426	4,23,23,581	8,54,76,477	7,92,29,098
Computer	17,79,077	2,76,519	-	20,55,596	12,51,241		2,65,136	15,16,377	5,39,219	5,27,836
Motor Car	64,35,163	-	-	64,35,163	12,17,398	-	6,98,760	19,16,158	45,19,005	52,17,765
Pollution Control System	57,37,470	18,62,370	-	75,99,840	21,48,937		4,48,000	25,96,937	50,02,904	35,88,534
Trivia Office WIP	3,45,000	-	3,45,000	-	-	-	-	-	-	3,45,000
Total `	15,79,70,750	5,40,95,287	14,49,335	21,06,16,702	4,55,52,043	7,19,271	1,17,61,183	5,65,93,955	15,40,22,748	11,24,18,708
Previous Year `	16,25,28,301	2,57,56,047	3,03,13,598	15,79,70,750	5,49,91,948	2,19,99,274	1,25,59,369	4,55,52,043	11,24,18,708	10,75,36,354

As per Companies Act 2013 , Schedule II specifies that the useful life specified in Part C of the Schedule is for whole of the asset. Where Cost of a Part of the Asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part should be determined separately. As per the Management of the Company and considering the nature of Fixed Assets lying in the Block of Assets of the Company, particularly the Plant and Machineries lying in the Block, there are no such major parts whose useful life is different from the useful life of the remaining asset and hence the Company has considered the useful life of the said parts equivalent to the useful life of the Asset only. However, the Company has undertaken the specific exercise of identifying the parts where the Cost is significant to the total cost and whose useful life might be different from the useful life of the remaining assets. If such parts are identified, the same shall be given effect to prospectively.

13. NON CURRENT INVESTMENTS :-

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	**Investments in Equity Instruments**		
	Unquoted , Non Trade		
	36703 {P.Y. 36703} Equity Shares of ` 10 each of Narmada Cleartech Ltd (Previously known as Bharuch Eco-Acqua Inf. Ltd)	3,67,030	3,67,030
	25000 {P.Y. 25000} Equity Shares of ` 10 each of Ankl. Reas. & Analy Infrastructure Ltd.	1,00,000	1,00,000
	**TOTAL ` **	**4,67,030**	**4,67,030**

14. LONG TERM LOANS AND ADVANCES : (Unsecured, considered good)

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	Capital Advances	55,68,166	54,37,795
(b)	Security Deposits	80,49,348	71,11,529
(c)	Other Loans and Advances (recoverable in cash or kind or for value to be received)	30,000	60,000
	**TOTAL ` **	**1,36,47,514**	**1,26,09,324**

Security Deposit includes Rs. 2 Lacs (P.Y. Rs Nil) given towards leased premises to Related Parties.

15. OTHER NON-CURRENT ASSETS :

	Particulars	31/03/2020 (Rs`)	31/03/2019 (Rs)
(a)	Long-term Trade Receivables		
(b)	Others		
	- IPO Expenses (pending to be written off) (Net of subsidy received towards the same)	-	11,33,351
	**TOTAL ` **	**-**	**11,33,351**

16. INVENTORIES :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Raw Materials	1,91,12,603	1,94,85,681
Work-in-Progress	2,21,69,615	1,05,29,995
Finished Goods	39,55,056	1,07,70,619
Stores and Spares	3,00,000	3,00,000
**TOTAL ` **	**4,55,37,274**	**4,10,86,295**

17. TRADE RECEIVABLES : (Unsecured, considered Good)

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	Outstanding for a period exceeding Six Months	8,30,677	2,45,427
(b)	Others	9,32,45,070	10,80,92,080
	TOTAL `	9,40,75,747	10,83,37,507

Balances are as per books and have not been corroborated by circulation / confirmation of balances.

18. CURRENT INVESTMENTS :

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	**Investment in Mutual Funds**		
	(At Cost)		
	Quoted , Non Trade		
	UTI Money Market Fund (5307.130 Units)	-	-
	UTI Liquid Cash Plan (12902.252)	-	3,84,64,851
	UTI Overnight Fund (23730.936 units)	6,48,34,547	-
	TOTAL `	6,48,34,547	3,84,64,851
	Market Value of Quoted Investmetns	6,48,82,629	3,94,90,438

19. CASH AND CASH EQUIVALENTS :

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	Balances with Banks	1,89,47,633	2,16,06,008
(b)	Margin Money Deposits (Maturing within 12 Months)	98,23,603	96,43,962
(c)	Cash on Hand	1,18,828	5,08,623
	TOTAL `	2,88,90,064	3,17,58,593

20. SHORT TERM LOANS AND ADVANCES : (Unsecured, considered Good)

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Advance Income Tax and Refunds Receivable	3,82,10,265	3,30,01,578
Indirect Taxes Recoverable Balance with Revenue Authorities	1,78,187	14,04,762
Advances to Staff	20,72,654	12,91,700
Other Short Term Loans and Advances	13,60,476	11,72,839
(recoverable in cash or kind or for value to be received)		
TOTAL `	4,18,21,582	3,68,70,879

21. OTHER CURRENT ASSETS :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Advance to Suppliers	16,73,887	25,94,707
Gratuity Account	5,01,785	3,87,695
(Excess of Fair Value of Planned assets over Present Value of Obligations)		
TOTAL `	21,75,672	29,82,402

22. CONTINGENT LIABILITIES AND COMMITMENTS :-

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Contingent Liabilities		
Claims against the Company not acknowledged as debt	-	-
Guarantees	-	-
Other Moneys for which Company is contingently liable	-	-
TOTAL `	-	-

23. In the opinion of the Board, all assets which are considered good (other than Fixed Assets and Non- Current Investments) are expected to be realised at least the amount at which they are stated, if realised in the ordinary course of business. Further in the opinion of the Board, provision for all known liabilities has been adequately made in the accounts and as per management experience and estimates, no additional provisions are required.

NOTES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2020

24. REVENUE FROM OPERATIONS :

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	Sale of Products		
	- Domestic Sales	34,01,02,584	34,92,07,788
	- Export Sales (including Deemed Exports)	6,87,19,326	6,02,79,210
	Total Sale of Products	**40,88,21,910**	**40,94,86,998**
(b)	Other Operating Revenues		
	- Job Work	16,56,74,300	14,32,44,475
	Total Operating Revenues	**16,56,74,300**	**14,32,44,475**
	TOTAL `	**57,44,96,210**	**55,27,31,473**

25. OTHER INCOME :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Duty Drawback	9,99,369	8,54,026
Interest Income	16,59,033	8,52,836
Exchange Rate Difference (Net)	19,02,844	-
Gain on Investment in Mutual Fund	38,64,696	12,01,804
Rate Differences and Discounts (Net)	2,13,347	1,75,163
Insurance Claims Received	-	18,63,339
Other Income	14,603	-
TOTAL `	**86,53,892**	**49,47,168**

26. COST OF MATERIALS CONSUMED :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Opening Stock of Raw Materials	1,94,85,681	77,47,097
Add : Purchases (incl. Import Duties)	20,02,05,253	21,87,78,215
	21,96,90,934	22,65,25,312
Less : Closing Stock of Raw Materials	1,91,12,603	1,94,85,681
Raw Materials Consumed	**20,05,78,331**	**20,70,39,631**
Stores and Consumables	92,40,546	83,51,963
Packing Materials	21,43,119	23,16,346
TOTAL `	**21,19,61,996**	**21,77,07,940**

Material Consumption	31st March 2020		31st March 2019	
	Amount (Rs.)	% Consumed	Amount (Rs.)	% Consumed
Imported	4,48,19,336	22.35	5,34,49,810	25.82
Indigeneous	15,57,58,995	77.65	15,35,89,821	74.18
	20,05,78,331	100.00	20,70,39,631	100.00

27. CHANGES IN INVENTORIES OF FINISHED GOODS. WORK IN PROGRESS & STORES AND SPARES :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Opening Stocks		
Finished Goods	1,07,70,619	1,25,70,404
Work-in-Progress	1,05,29,995	1,03,80,131
Stores and Spares	3,00,000	3,00,000
	2,16,00,614	**2,32,50,535**
Closing Stocks		
Finished Goods	39,55,056	1,07,70,619
Work-in-Progress	2,21,69,615	1,05,29,995
Stores and Spares	3,00,000	3,00,000
	2,64,24,671	**2,16,00,614**
TOTAL `	(48,24,057)	16,49,921

28. EMPLOYEE BENEFIT EXPENSES :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Salaries and Wages	2,80,79,989	2,11,60,456
Providend Fund ,ESI , Bonus and Grautity	72,02,150	88,50,315
Directors' Remuneration *	2,10,00,000	84,00,000
Staff Welfare	17,22,690	14,59,099
TOTAL `	5,80,04,829	3,98,69,870

*** Remuneration for the year includes Rs 84 Lacs towards performance bonus for F.Y 2018-19**

29. FINANCE COST :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Interest on Loans from Banks	19,74,763	24,62,750
Bank Charges and Other Borrowing Costs	1,08,630	2,14,409
Others Interest	11,34,122	1,26,540
TOTAL `	32,17,515	28,03,699

30. OTHER EXPENSES :

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(a)	**Manufacturing \ Direct Expenses**		
	Freight,Octroi & Transportation	2,50,32,150	2,28,95,419
	Repairs & Maintenance	1,81,94,961	1,68,23,506
	Fuel Charges	3,87,89,531	4,16,79,167
	Effluent Treatment Charges	1,97,62,992	2,51,30,631
	Labour Charges	87,40,019	1,00,16,873
	Other Factory Expenses	3,15,82,827	1,47,38,357
	Total (a)	14,21,02,480	13,12,83,953

	Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
(b)	**Administrative & Other Expenses**		
	Audit Fees	1,00,000	1,00,000
	Bad Debts written off	73,987	-
	Conveyance & Petrol Exp	5,82,235	6,30,381
	CSR Expense	12,96,000	-
	Donation	1,87,000	11,000
	Directors' Sitting Fees	63,500	42,300
	Insurance Premium	24,54,437	9,28,053
	Legal, Professional, License & Filing Fees	28,35,789	57,57,411
	Office & General Administration Expenses	11,68,689	8,88,458
	Repairs & Maintenance (Shed & Building)	30,15,461	39,38,067
	Security Service Charges	12,88,986	14,06,134
	Travelling Expenses	3,43,346	5,32,055
	Rent, Rates & Taxes	25,67,247	8,86,604
	IPO Expenses Written Off	11,33,351	9,88,267
	Loss on Assets due to Sale / Discard / Scrap / Others	3,35,064	76,69,320
	Exchange Rate Difference (Net)	-	9,10,819
	Foreign Travelling Expense	2,42,710	6,22,862
	Total (b)	**1,76,87,802**	**2,53,11,731**
(c)	**Selling & Distribution Expenses**		
	Custom Clearing Charges for Exports	16,69,795	23,19,785
	Sales Commission	3,01,750	3,63,178
	Advertisement Exp	2,04,244	67,956
	Total (c)	**21,75,789**	**27,50,919**
	TOTAL (a+b+c) `	**16,19,66,071**	**15,93,46,603**

31. CORPORATE SOCIAL RESPONSIBILITY :-

Gross Amount Required to be spent by the Company during the year 13.31 Lacs
(as per the provisions of S. 135 of the Companies Act, 2013 read with rules thereon)

The Company has spent a sum of Rs.12.96 Lacs through contributions made to registered Trusts inter-alia involved in activities specified in Schedule VII of the Companies Act, 2013 and having a established track record of more than 3 years for the same.

32. C.I.F. VALUE OF IMPORTS :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Raw Materials	4,70,13,673	6,26,52,741
TOTAL `	4,70,13,673	6,26,52,741

33. EXPENDITURE IN FOREIGN CURRENCY :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Travelling Exp	97,100	6,22,860
Legal & Professional charges	-	1,87,853
TOTAL `	**97,100**	**8,10,713**

34. EARNINGS IN FOREIGN CURRENCY :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Export of Goods on FOB basis	6,85,18,526	5,88,52,210
TOTAL `	6,85,18,526	5,88,52,210

35. PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Sundry Creditors	53,76,719	1,82,87,357
Sundry Debtors	72,71,548	-
TOTAL `	1,26,48,267	1,82,87,357

36. AUDITORS REMUNERATION :

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
As Stautory Auditors	1,00,000	1,00,000
In Other Capacity	-	-
TOTAL `	1,00,000	1,00,000

37. DIRECTORS REMUNERATION :

Directors' Remuneration paid during the year is within the limits prescribed by Section 197 read with Part II of Schedule V of the Companies Act, 2013. Remuneration paid during the year of Rs. 2,10,00,000/- (P.Y 84,00,000) includes Rs. 84,00,000/-(P.Y Nil) being Performance bonus relating to F.Y 2018-19 which when included with regular remuneration of F.Y 2018-19 remains within aforesaid limits. Perquisites of Free Usage of Car are given to the Directors. No contributions are made to PF and they are not considered eligible for Bonus, Gratuity and Leave Encashment.

38. DISCLOSURES ON LEASE :

The Company has taken certain premises (Office) under operating lease or leave and license agreement. The lease terms in respect of such premises is on basis on individual agreement with respective owners.

Particulars	31/03/2020 (Rs)	31/03/2019 (Rs)
Lease Payments Recognised in Statement of Profit and Loss Account	22,42,800	5,00,000
TOTAL `	22,42,800	5,00,000

39. SEGMENT REPORTING :

With respect to Accounting Standard-17, the Management of the Company is of the view that the products offered by the Company are in the nature of Bulk Drug Intermediates and its related products, having the same risks and returns, same type and class of customers and regulatory environment. Hence, the Company effectively has a single reportable business segment. Hence, segment-wise disclosure of information is not applicable.

40. CLASSIFICATION OF EXPENDITURE :

The treatment of a particular expenditure relating to Plant & Machinery as capital (capitalization to fixed assets) or Revenue (Repairs and Maintenance) has been done based on Management's perception of the reason, nature and necessity of the expenditure as well as the longevity of the benefit derived from the same being a technical matter. The treatment accorded by the Management has been accepted by the Auditors.

41. POST EMPLOYMENT BENEFITS :

Provident Fund and Employee State Insurance paid during the year being defined contributions have been charged to the of Profit and Loss Account.

In terms of the Management Policy for availment of leave by the employees during the year itself, no provision for leave encashment is required as at the year end.

The Company has a defined benefit gratuity plan. Every employee who has completed five or more years of service is eligible for gratuity @ 15 days salary (last drawn) for every completed year of service with a overall ceiling of Rs. 1000000. The Company has taken a Group Gratuity cum Life Insurance Policy from Life Insurance Corporation of India (a qualifying policy) and makes annual contributions to the same to create a fund to meet this defined benefit gratuity obligation.

POST EMPLOYMENT BENEFITS :

Changes in Present Value of Defined Benefit Obligation	**31/03/2020 (Rs)**	**31/03/2019 (Rs)**
Present Value of Obligations as at the beginning of the Year	1,20,71,231	1,01,93,829
Interest Cost	9,05,342	7,64,537
Current Cost	6,29,015	5,08,731
Benefits Paid	(7,61,424)	(2,22,549)
Actuarial (gains) / losses on obligation	13,53,105	8,26,683
Present Value of Obligations as at the end of the Year	1,41,97,269	1,20,71,231
Change in Fair Value of Plan Assets	**31/03/2020 (Rs)**	**31/03/2019 (Rs)**
Fair Value of Plan Assets as at the beginning of the Year	1,24,58,925	89,82,377
Expected Return on Plan Assets	10,27,992	7,99,676
Contributions	19,73,560	28,99,420
Benefits Paid	(7,61,424)	(2,22,549)
Actuarial (gains) / losses on Plan Assets	NIL	NIL
Fair Value of Plan Assets as at the end of the Year	1,46,99,054	1,24,58,925
Defined Benefit Obligation as recognized in Balance Sheet	**31/03/2020 (Rs)**	**31/03/2019 (Rs)**
Present Value of Obligations as at the Year end	1,41,97,269	1,20,71,231
Fair Value of Plan Assets as at the Year end	1,46,99,054	1,24,58,925
Net Asset / (Liability) recognized in Balance Sheet	5,01,785	3,87,695
Net Gratuity Benefit Expenditure Recognised in P&L Account	**31/03/2020 (Rs)**	**31/03/2019 (Rs)**
Current Service Cost	6,29,015	5,08,731
Interest Cost	9,05,342	7,64,537
Expected Return on Plan Assets	(10,27,992)	(7,99,676)
Net Actuarial (Gain) / Loss Recognised in the Year	13,53,105	8,26,683
Net Expense Recognised in Statement of Profit and Loss	18,59,470	13,00,274
Principal Assumptions Used	**31/03/2020 (Rs)**	**31/03/2019 (Rs)**
Discount Rate	7.25%	7.50%
Expected Return on Plan Assets	7.25%	7.50%
Salary Escalation Rate	7.00%	7.00%
Major Categories of Plan Assets		
Insurer Managed Funds	**100%**	**100%**

42. BORROWING COSTS :

No Borrowing Costs were eligible for capitalisation during the year in terms of AS-16.

43. RELATED PARTY TRANSACTIONS :

The Company has identified all the related parties having transactions for the year in line with Accounting Standard 18. Details of the same are as under:

a. List of Related Parties

Nature of Relation		Name of Related Parties	
Key Managerial Person		Mr. Girish Shah-Chairman and WTD	
		Mr. Sanjay Marathe-Managing Director	
		Mrs.Sidhdhi Shah-Director	
		Mrs. Neela Marathe-Director	
		Mr. Sushilkumar Tripathi - CFO	
		Mrs. Ekta Kumari- CS	
Relative to Key Managerial Person	**Nature of Concern**	**Name of Related Parties**	**Related KMP**
	HUF	Sanjay Marathe- HUF	Sanjay Marathe
	HUF	Girish Shah- HUF	Girish Shah
	Accustomed to act on advise of Director	Techolabz Systems Pvt. Ltd.	Sanjay Marathe
	Member & Director	Kapil Organisers Pvt Ltd	Bhanubhai Patel
	Partner	Trimurti Dye Chem Industries	Bhanubhai Patel
	Partner	Omkar Chemicals	Bhanubhai Patel

b. Transactions with Related Parties :

Name of Related Parties	Transaction during year		Balances as at	
	2019-20 (Rs.)	2018-19 (Rs.)	31.03.2020 (Rs)	31.03.2019 (Rs)
Key Managerial Person				
Director Remuneration	2,10,00,000	84,00,000	-	-
Unsecured Loans Rcvd/(Paid) (net)	67,087	(3,553)	9,91,788	9,24,701
Interest on Unsecured Loan	75,384	68,505	-	-
Remuneration to CFO	1,75,440	60,000	-	-
Remuneration to CS	4,05,000	3,00,000	-	-
Lease Rent	22,42,800	5,00,000	-	90,000
Lease Deposit	-	2,00,000	2,00,000	2,00,000

44. EARNINGS PER SHARE :

In line with Accounting Standard 20 the Earnings Per Share details are given below :

Particulars		2019-20	2018-19
Profit After Taxation	`	10,64,25,820	9,31,55,032
Weighted Average Number of Equity Shares	Nos.	49,36,280	49,36,280
Nominal Value of Shares	`	4,93,62,800	4,93,62,800
Earnings Per Share	`	21.56	18.87

45. IMPAIRMENT OF ASSETS :

During the year, the Company has undertaken an exercise to discard old assets as also to remove certain assets having no value from its Block of Assets. The loss / write-off on this account has been debited to the Profit and Loss Account. In absence of any further indications, external or internal, as to any probable impairment of assets, no separate provision has been made for same.

46. IMPACT OF COVID-19 :-

As we all are aware, the world as a whole is going through difficult times due to the Global Corona Pandemic and our Nation is no exception. India is also facing the pandemic and the Government is trying to do its best to curb the impact of the same on the health of people and on the health of economy.
As a part of its many initiatives to fight this global pandemic, the Indian Government imposed a nation-wise 21-day complete lockdown from 25th March, 2020. Prior to that the Gujarat Government had already imposed a lockdown from 23rd March, 2020.

Consequent to the same, our production activities came to a complete stop from 24th March, 2020 onwards. Hence, there was an obvious loss of production and sales for the last 8 days of the financial year 2019-20. This has naturally resulted in loss of turnover for that period and hence loss of revenue and profits. Yet overall, the Company had a good year and it has exceeded the Turnover and Profitability of the immediate preceding year. No doubt there would be impact due to the loss of business activity. However, the same would not be material in the overall sense over the financials for the whole year.

Further, the Company being under essential sector, was permitted to operate with restrictions during lockdown. The Company could start making some dispatches during the first few days of April of ready stocks against orders. The Company could partially resume production operations form 14th April, 2020, with limited workforce. The Company operated at a lower capacity during that period and with many restrictions. Hence, in the current fiscal also, there have been losses of production and business and corresponding loss of revenue and production. However operational activities have slowly improved. The Company could operate at around 60% capacity in May, 2020 and now the company is fully operational as usual from June, 2020.

One of the major end users is the Pharma Industry where due to the circumstances the demands were skyrocketing. Consequently, demand for Company's products is also stable. There have been no cancellation of orders or requests for delayed supply. The demand is in fact improving and the China situation may actually be positive for the Company. Apart from the obvious effects of lockdown and logistical issues, there have been no impact/bottlenecks in import of major raw materials and exports of finished products and the Company does not foresee any bottlenecks in the future also. The operation cycles for trade receivables have been impacted a little. However, the Company does not have any significant debt obligations except marginal working capital limits and some term loans. As against the same, the Company has enough liquid surplus to meet business, debt and other financial commitments.

The Company has a robust ERP system in place and there has been no significant impact on financial controls and reporting. None of the assets of the company have been impaired. There is no significant impact on the financial statements calling for any adjustments therein. And there is absolutely no doubt on the ability of the Company to continue as a going concern.

In fact, the Company is bullish about the future outlook and continues to stay committed to increasing capacities. In fact, Company is hopeful, that given the Government initiatives of assisting businesses, it will be able to obtain requisite clearances during the year which will enable company to add capacities & grow. Naturally, the Company does envisage a reduction of turnover and profitability to the extent of production loss during lockdown period but things are improving and the Company expects to recover substantially from the impact of lockdown by the end of this fiscal year – considering, of course, that the COVID-19 situation keeps improving and the economic situation also remains stable.

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

For R.J. Shah & Associates
Chartered Accountants
(FRN 109752 W)

Sd/-
CA Rohit Shah
Membership No. 034139

Place : Vadodara
Date : 16th June, 2020

For & on behalf of the Board
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Chairman & Whole Time Director

Sd/-
Sushilkumar Tripathi
CFO

Sd/-
Sanjay Marathe
Managing Director

Sd/-
Ekta Kumari
Company Secretary

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