

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



Date: **18th August 2023**

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. 2022-23
Ref: BSE Scrip ID: 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 III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of Chemcrux Enterprises Limited for the financial year 2022-23, which, inter-alia contains the Notice of the 27th Annual General Meeting of the Company to be held on Tuesday, 12th September, 2023 at 2.00 P.M. (IST) through Video Conference / Other Audio Visual Means.

Kindly note that the Annual Report is being sent today by e-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

Dipika Rajpal
Company Secretary & Compliance Officer

Encl: Annual Report for the FY 2022-23.



CHEMCRUX ENTERPRISES LTD.

ISO 9001, 14001 & 50001 Certified Company



Quality - Consistency - Reliability

**Manufacturers of Intermediates for
API, Dyes & Pigments since 40 years**



ANNUAL REPORT 2022-23

PROMOTERS & DIRECTORS :

Girish Shah, Chairman & Whole Time Director
BE (Chem), D.I.I.S.C (IM)

Sanjay Marathe, Managing Director
B.E (Chem), M. Tech (IIT Powai)

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Girishkumar C. Shah - Chairman & Whole Time Director
 Mr. Sanjay Y. Marathe - Managing Director
 Mrs. Neela S. Marathe - Non-Executive Director (upto 04/08/2023)
 Mrs. Sidhdhi G. Shah - Additional Director (Non-Executive Non-Independent w.e.f. 04/08/2023)
 Mr. Shailesh Patel - Independent Director
 Mr. Bhanubhai Patel - Independent Director
 Mr. Mukund Bakshi - Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Krutarth Parikh - Chief Financial Officer
 Mrs. Dipika Rajpal - Company Secretary

REGISTERED OFFICE:

330, TRIVIA Complex
 Natubhai Circle, Racecourse,
 Vadodara- 390 007 (GUJARAT, INDIA)
 Ph: +91-0265-2984803/2988903

FACTORY:

4712-14, GIDC Road South 10,
 Ankleshwar – 393 002
 Gujarat, INDIA

BOARD COMMITTEES

Audit Committee (Reconstituted w.e.f. 23/01/23)

Mr. Mukund Bakshi (Chairperson)
 Mr. Shailesh Patel
 Mr. Bhanubhai Patel

Nomination & Remuneration Committee

Mr. Bhanubhai Patel (Chairperson)
 Mr. Shailesh Patel
 Mr. Mukund Bakshi

Stakeholders Relationship Committee (Reconstituted w.e.f. 04/08/2023)

Mrs. Neela Marathe
 (Chairperson upto 04/08/2023)
 Mrs. Sidhdhi G. Shah
 (Chairperson w.e.f. 04/08/2023)
 Mr. Sanjay Marathe
 Mr. Bhanubhai Patel

CSR Committee (Reconstituted w.e.f. 04/08/2023)

Mr. Sanjay Marathe (Chairperson)
 Mrs. Neela Marathe (Member upto 04/08/2023)
 Mr. Mukund Bakshi
 Mrs. Sidhdhi G. Shah
 (Member w.e.f. 04/08/2023)

AUDITORS

Statutory 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 – 390 001

Secretarial Auditors:

Kashyap Shah & Co.
 B 203, Manubhai Tower
 Sayajigunj, Vadodara -390 020

Registrar & Share Transfer Agent:

Bigshare Services Private Limited

S6-2, 6th Floor, Pinnacle Business Park, Next to
 Ahura Centre, Mahakali Caves Road, Andheri
 (East), Mumbai, Maharashtra-400 093
 E-mail id: info@bigshareonline.com

BANKERS:

Kotak Mahindra Bank Limited

WEBSITE: www.chemcrux.com

CIN : L01110GJ1996PLC029329

Investor Relations Mail ID:

companysec@chemcrux.com

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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-Seventh (27th) Annual General Meeting of the members of **CHEMCRUX ENTERPRISES LIMITED** ("the Company") will be held on Tuesday, 12th September, 2023, at 2.00 p.m. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") for which the Registered Office of the Company situated at 330, TRIVIA Complex, Natubhai Circle, Racecourse, Vadodara- 390007 shall be the deemed venue to transact the following business:

ORDINARY BUSINESS:

- A.** To receive, consider, approve and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2023, together with the reports of the Board of Directors and Auditors thereon:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2023, together with the reports of the Board of Directors and the Auditors thereon be and are hereby received, considered, approved and adopted."

- B.** To receive, consider, approved and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2023, together with the reports of the Auditors thereon:

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2023, together with the reports of the Auditors thereon be and are hereby received, considered, approved and adopted."

- To declare final dividend for the financial year ended 31st March 2023, at the rate of 20% (Rs. 2/-) per Equity Share:

"RESOLVED THAT a final dividend of Rs. 2/- (Two only) per Equity Share @ 20% on 1,48,08,840 Equity Shares of the Company as recommended by the Board of Directors be and is hereby declared to the Equity Shareholders of the Company whose name appear in the Register of Members on 05th September 2023, out of the profits of the Company for the financial year ended on 31st March 2023."

- To appoint a director in place of Mr. Girishkumar Shah (DIN: 00469291), who retires by rotation and being eligible, offers himself for re-appointment:

"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 re-appointed as Director of the Company, liable to retire by rotation."

- To appoint M/s. Naresh & Co., Chartered Accountants as Statutory Auditors and to fix their remuneration:

To consider and if thought fit, to pass the following resolution as an **Ordinary** Resolution:

"RESOLVED THAT pursuant provisions of Section 139, 141 and 142 of the Companies Act, 2013 and other applicable provisions, if any, read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time (including any statutory modification(s) or re-enactment thereof, for the time being in force), based on the recommendation of the Audit Committee and of the Board of Directors, M/s. Naresh & Co., Chartered Accountants, (Firm Registration No: 106928W), be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five consecutive years commencing from the conclusion of 27th Annual General Meeting till conclusion of 32nd Annual General Meeting to be held in the year 2028 (for the financial year ended 31st March 2028), at remuneration of Rs. 1 Lakh p.a. plus applicable GST and reimbursement of out-of-pocket expenses subject to revision of the Remuneration from time to time as may be decided by the Board of Directors of the Company and the Auditor's from time to time."

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) or Company Secretary of the Company, be and are hereby jointly and/or severally authorized on behalf of the Company to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

SPECIAL BUSINESS:

5. Regularisation of Additional Director, Mrs. Sidhdi Girishkumar Shah (DIN: 00469138) by appointing her as Non-Executive Non-Independent Director:

To consider and, if thought fit, to pass the following resolution as an **Ordinary** Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160, 161 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and applicable regulations of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, (as amended from time to time) and as recommended by Nomination and Remuneration Committee and Board of Directors, Mrs. Sidhdi Girishkumar Shah (DIN: 00469138), who has been appointed as an Additional Director (Non-Executive & Non- Independent) of the Company by the Board of Directors with effect from 04th August 2023 in terms of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act proposing her candidature for the office of the Director and who has consented and confirmed that she qualifies to be appointed as Director as provided in the Companies Act and Listing Regulations, be and is hereby appointed as Non-Executive Non-Independent Director of the Company, whose office shall be liable to retire by rotation.

“RESOLVED FURTHER THAT Mr. Girishkumar Shah, Whole Time Director and/or Mrs. Dipika Rajpal, Company Secretary, be and are hereby authorised on behalf of the Company to sign and submit the required documents, letters and writings and to do all such acts, deeds and things as may be required in this regard to implement and give effect to this resolution.”

6. To re-appoint Mr. Girishkumar Shah (DIN: 00469291), as Whole Time Director of the Company designated as Executive Chairman and approval of payment of remuneration:

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

“RESOLVED THAT pursuant to provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re- enactment(s) thereof, for the time being in force), and subject to any other approval/(s) as may be necessary, if any applicable to the Company and Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee and approval of the Board of Directors (“Board”) of the Company, consent of the Members be and is hereby accorded to re-appoint Mr. Girishkumar Shah (DIN: 00469291) as a Whole-time Director, designated as an Executive Chairman, for a further period of 5 (five) years from the completion of his present term of office (i.e., on 31st December 2023) and commencing from 1st January, 2024 till 31st December 2028; and payment of remuneration as mentioned in the explanatory statement, for a period of three years starting w.e.f. 1st January, 2024 till 31st December 2026, provided however that total managerial remuneration payable to Mr. Girishkumar Shah shall not exceed Rs. 3 Crores per annum.

RESOLVED FURTHER THAT the office of Mr. Girishkumar Shah shall be reckoned for the purpose of arriving Directors liable to retire by rotation and as long as he functions as the Director of the Company, he will not be paid any sitting fees for attending the meetings of the Board of Directors or any committee(s) thereof.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, the Board of Directors be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient including but not limited, to delegate any powers to any officials of the Company conferred upon the Board by this resolution and to settle all questions / doubts / queries / difficulties that may arise in this regard, at any stage without being required to seek any further consent or approval of the Members of the



Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

7. To re-appoint Mr. Sanjay Marathe (DIN: 01316388) as Managing Director of the Company and approval of payment of remuneration:

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

“**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to any other approval/(s) as may be necessary, if any applicable to the Company and Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee and approval of the Board of Directors (“Board”) of the Company, consent of the Members be and is hereby accorded to re-appoint Mr. Sanjay Marathe (DIN: 01316388) as Managing Director, for a further period of 5 (five) years from the completion of his present term of office (i.e., on 31st December 2023) and commencing from 1st January, 2024 till 31st December 2028; and payment of remuneration as mentioned in the explanatory statement, for a period of three years starting w.e.f. 1st January, 2024 till 31st December 2026, provided however that total managerial remuneration payable to Mr. Sanjay Marathe shall not exceed Rs. 3 Crores per annum.

RESOLVED FURTHER THAT the office of Mr. Sanjay Marathe shall be reckoned for the purpose of arriving Directors liable to retire by rotation and as long as he functions as the Director of the Company, he will not be paid any sitting fees for attending the meetings of the Board of Directors or any committee(s) thereof.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, the Board of Directors be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient including but not limited, to delegate any powers to any officials of the Company conferred upon the Board by this resolution and to settle all questions / doubts / queries / difficulties that may arise in this regard, at any stage without being required to seek any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

8. To approve Material Related Party Transaction(s) with Kalichem Private Limited:

To consider and, if thought fit, to pass the following Resolution as an **Ordinary** Resolution:

“**RESOLVED THAT** pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”), the applicable provisions of the Companies Act, 2013 (“Act”), if any, read with related rules, if any, each as amended from time to time, and the Company’s Related Party Transactions Policy, on basis of the approval and recommendation of the Audit Committee and the Board of Directors of Company, the approval of the Members be and is hereby accorded to the Board of Directors of Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to continue with the existing contract(s)/ arrangement(s)/ transaction(s) and/or enter into and/or execute new contract(s)/ arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with Kalichem Private Limited, a Joint Venture Company of Chemcrux Enterprises Limited and accordingly a related party under Regulation 2(1)(zb) of the SEBI Listing Regulations, on such terms and conditions as may be agreed between the Company and Kalichem Private Limited, for an aggregate value up to Rs. 20 crores for transactions involving for purchase and sale of goods, rendering and receiving of services, giving Loans, making investments, providing guarantees, infusing funds through inter corporate deposit in Kalichem Private Limited and other transactions of business to be entered during FY 2023-24, provided such contract(s)/ arrangement(s)/ transaction(s) being carried out at arm’s length and in the ordinary course of business of the Company.



“RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), agreement(s) and such other documents, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

“RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

“RESOLVED FURTHER THAT all actions taken by the Board, or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.”

**By order of the Board of Directors
For CHEMCRUX ENTERPRISES LIMITED**

**Place: Vadodara
Date: 04th August 2023**

**Sd/-
Dipika Rajpal
Company Secretary**

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts concerning the business under Item No. 4 to 8 of the accompanying Notice, is annexed hereto.
2. The Ministry of Corporate Affairs (“MCA”), vide its circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 02/2022, 10/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, May 5, 2022 and December 28, 2022 respectively (“MCA Circulars”) & Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 have permitted convening the Annual General Meeting (“AGM”/ “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (“the Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the 27th AGM of the Company is being held through VC / OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 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 is not annexed to this Notice. Further, Attendance Slip and Route Map are also not annexed to this Notice.
4. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available, electronically, for inspection by the Members during the AGM. All documents referred to in the Notice will be available electronically for inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to companysec@chemcrux.com.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. 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. The facility of participation at the AGM through VC/OAVM provided by NSDL will be made available to at least 1000 members on first come



first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

7. In compliance with the applicable MCA Circulars and SEBI Circulars, notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/Depositories/ Depository Participants/ Bigshare Services Private Limited (RTA). Members may note that the Notice and Annual Report 2022-23 is available on the Company's website that is www.chemcrux.com, website of the BSE Limited that is www.bseindia.com and on the website of NSDL (agency for providing the Remote e-Voting facility) at www.evoting.nsdl.com.
8. **The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 06th September 2023 to Tuesday, 12th September 2023 (both days inclusive) for annual book closure and record date/ cut off date shall be as on Tuesday, 05th September 2023 for determining the entitlement of shareholders to the final dividend. The cut off date shall be as on Tuesday, 05th September 2023 to determine the shareholders entitled to avail the facility of e-voting.**
9. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 issued by the Institute of Company Secretaries of India, details of directors retiring by rotation & seeking appointment/ re-appointment at the ensuing annual general meeting is given in [Annexure A](#) to this notice.
10. 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 2023, if approved and declared by the members at the ensuing AGM, will be paid to those Members within 30 days from the date of declaration, to those members whose names appear in the Register of Members as at the close of business on 05th September 2023 and in respect of shares held in dematerialized form, as per the list of beneficial owners furnished to the Company by NSDL/CDSL, as at the close of business on 05th September 2023.
11. ***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 Participants immediately and not to the Company. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details.***
12. ***Members holding shares in electronic form are hereby informed that bank particulars registered with their respective DPs, with whom they maintain their demat accounts, will be used by the Company for payment of dividend. Members who hold shares in electronic form and want to change/correct the bank account details should send the same immediately to their concerned DP and not to the Company.***
13. Pursuant to Finance Act, 2020, dividend income will be taxable to the shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The shareholders are requested to update their PAN with depositories. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. The shareholders also are requested to refer to the Finance Act, 2020 and amendments thereof.

Further, the Company is sending a separate email communication to the shareholders, informing the relevant procedure to be adopted by them/documents to be submitted for availing the applicable tax rate. The same will also be available on the website of the Company www.chemcrux.com. The shareholders are requested to submit the requisite documents to the mail ids mentioned in the communication on or before 05th September 2023 to enable the Company to determine the appropriate TDS/withholding tax rate, as may be applicable.

14. M/s. Bigshare Services Private Limited, the Registrar and Transfer Agent (RTA) having their administrative office situated at S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai- 400093 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., etc. by visiting the website <https://bigshareonline.com/> . (For Investors section).**

15. Green Initiative - Members who have not registered their e-mail addresses so far are requested to register their e-mail address with their DPs or the RTA for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically. Members may also note that Annual Report for the FY 2022-23 will also be available on the website of the Company at www.chemcrux.com.

16. VOTING THROUGH ELECTRONIC MEANS:

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)**.

The instructions for members for remote e-voting and joining general meeting are as under: -

The remote e-voting period begins on Saturday, 09th September 2023 (09:00 A.M. IST) and ends on Monday, 11th September 2023 (05:00 P.M. IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., 05th September 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 05th September 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and Email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDEAS ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	<ol style="list-style-type: none"> 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center; border: 1px solid #ccc; padding: 10px; margin: 10px 0;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login &

	<p>New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B. Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

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 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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 electronically.

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical **Your User ID is:**

- | | |
|---|--|
| <p>a) For Members who hold shares in demat account with NSDL.</p> | <p>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*****.</p> |
| <p>b) For Members who hold shares in demat account with CDSL.</p> | <p>16 Digit Beneficiary ID
For example, if your Beneficiary ID is 12***** then your user ID is 12*****.</p> |
| <p>c) For Members holding shares in Physical Form.</p> | <p>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***</p> |
5. Password details for shareholders other than Individual shareholders 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 etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
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 your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.



2. Select "EVEN" of company <CHEMCRUX ENTERPRISES LIMITED> for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
 3. Now you are ready for e-Voting as the Voting page opens.
 4. 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.
 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- ❖ 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).
 - ❖ 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 that is 05th September 2023.
 - ❖ 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., 05th September 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

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 toll-free no.'s mentioned in the Notice.

- ❖ 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.

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.
2. 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 companysec@chemcrux.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

GENERAL INSTRUCTIONS:

- a. **The remote e-voting period commences on Saturday, 09th September 2023 (09:00 a.m. IST) and ends on Monday, 11th September 2023 (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 05th September 2023 may cast their vote electronically. The e-voting module shall also be disabled by NSDL**



for voting thereafter but will again be opened 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 within the prescribed time period 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 to the Chairman or a person authorised by him in writing, who shall countersign the same. The voting results shall be declared by the Chairman or a person authorised by him within two working days of conclusion of this AGM. 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 Exchange- BSE Limited.
- 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. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- 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.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager 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 in 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 EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member 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 need to register themselves as a speaker by sending a request from their registered e-mail address mentioning their name, demat account number/folio number, email id, mobile number at companysec@chemcrux.com in ten (10) days advance i.e., by 02nd September 2023. Those shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.

**By order of the Board of Directors
For CHEMCRUX ENTERPRISES LIMITED**

Place: Vadodara

Date: 04th August 2023

**Sd/-
Dipika Rajpal
Company Secretary**

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013:

Ordinary Business: Item No. 4

Explanatory Statement:

The Members of the Company at the 22nd Annual General Meeting (AGM) held on 27th September 2018, approved the appointment of M/s R.J. Shah & Associates, Chartered Accountants, as the Statutory Auditors of the Company for a period of five years from the conclusion of the said AGM. Accordingly, M/s R.J. Shah & Associates, will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company, at its meeting held on 04th August 2023, based on the recommendation of the Audit Committee; after considering and evaluating proposal and factors such as industry, experience, technical skills, audit skills, etc. recommended the appointment of M/s Naresh & Co., Chartered Accountants, Vadodara (Firm Registration No: 106928W). The firm caters to multi- disciplinary clients lead by team of professionals serving more than 1000 clients. The area of work includes Statutory Audits, Internal Audits & Internal Financial Controls, Management Consultancy and Strategic Planning, Company Law Consultancy, FEMA, Goods and Service Tax. M/s. Naresh & Co, Chartered Accountants, are proposed to be appointed as the Statutory Auditors of the Company for period of 5 (five) years commencing from the conclusion of this 27th AGM till the conclusion of the 32nd AGM of the Company to be held in the year 2028 (for FY 31/03/2028) at remuneration Rs. 1 Lakh p.a. plus applicable GST and reimbursement of out-of-pocket expenses, subject to revision of the Remuneration from time to time as may be decided by the Board of Directors of the Company and the Auditor's.

Pursuant to Section 139 of the Companies Act, 2013 and the rules framed thereunder, the Company has received written consent from M/s Naresh & Co., Chartered Accountants, Vadodara for their appointment. They have confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors of the Company or Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 4 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set out at Item No. 4 for approval of the members of the Company.

Special Business: Item No.5

Explanatory Statement:

Mrs. Sidhdhi Girishkumar Shah was appointed as an Additional Director (Non-Executive & Non- Independent Director) with effect from 04th August 2023 in accordance with the provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office up to the date of ensuing Annual General Meeting of the Company. Based on the recommendation of the Nomination and Remuneration Committee & the Board, considering her advisory involvement, management and administration skills and vast experience, the Board considers her regularisation as Non-Executive Non- Independent Director is in the best interests of the Company & her office shall be liable to retire by rotation. She is holding 120 equity shares of the Company as on her date of appointment. She is the wife of Mr. Girishkumar Shah, Whole Time Director of the Company. She also forms part of Promoter Group of the Company. Her brief profile is given in [Annexure A](#).

None of the Directors/ Key Managerial Personnel of the Company/ their relatives except Mr. Girishkumar Shah and Mrs. Sidhdhi Girishkumar Shah herself, are in any way concerned or interested, in the said resolution. Their relatives may deem to be interested to the extent of their shareholding. Accordingly, the board recommends the said Ordinary Resolution set out at Item No. 5 for your approval.

Special Business: Item No. 6 & Item No. 7

Explanatory Statement:

At 22nd AGM held on 27th September 2018, Mr. Girishkumar Shah (DIN: 00469291) was re-appointed as the Whole Time Director, designated as Executive Chairman and Mr. Sanjay Marathe (DIN 01316388) was re-appointed as Managing Director, for a period of 5 (five) years effective from 1st January 2019 till 31st December, 2023. Further at 24th AGM held on 17th August 2020, the resolutions for payment of remuneration to Mr. Girishkumar Shah, Whole Time Director and Mr. Sanjay Marathe, Managing Director, for a period of three years starting from 1st April, 2021 till their tenure ending on 31st December, 2023 in terms of the applicable provisions of the Companies Act 2013, for Companies having inadequate profits and in compliance with the requirements of regulation 17(6)(e) SEBI Listing Regulations, 2015 were passed vide Special Resolution No. 4 & 5 respectively. The current term of appointment and validity of remuneration resolution will expire on 31st December 2023. Therefore, it is proposed to seek members' approval for the re-appointment of Mr. Girishkumar Shah, Whole time Director and Mr. Sanjay Marathe, Managing Director, for a period of another 5 (five) years starting from 1st January 2024 till 31st December, 2028 and remuneration payable to Mr. Girishkumar Shah and Mr. Sanjay Marathe is proposed to be approved for a period of 3 (three) years starting w.e.f. 1st January, 2024 till 31st December 2026.

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, as per regulation 17(6)(e) SEBI Listing Regulations, 2015, 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. In case of your Company, the remuneration paid /payable to Managerial Personnel is exceeding 10% of Net Profit of the Company and the aggregate remuneration paid/payable to the aforementioned Managerial Personnel is also exceeding the limits prescribed under Section II of Part II of Schedule V of the Act and applicable SEBI Listing Regulations, 2015.

As per the Nomination and Remuneration Policy adopted by the Board, applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Nomination & Remuneration Committee of Directors and the Board of Directors at their meetings held on 04th August 2023, have considered and recommended/ approved the re-appointment and remuneration proposed to be paid to Mr. Girishkumar Shah and Mr. Sanjay Marathe, subject to approval of the Members by way of Special Resolution.



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.

Appointment terms of Mr. Girishkumar Shah and Mr. Sanjay Marathe shall be same as outlined in this explanatory statement.

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, Specialty Chemicals
- 2) **Date of Commencement of Commercial Production:** Since Incorporation
- 3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.
- 4) **Financial performance based on given indicators:** (In lakhs)

Particulars	FY 2022-23 (Standalone) (Audited)
Revenue from operations	9,515.24
Profit/(Loss) before Tax	1,964.94
Profit/ (Loss) for the year after tax (before other comprehensive income)	1,435.81

5) **Foreign Investment or Collaboration:** Foreign investments in the Company includes shareholding of NRIs which were acquired through the primary /secondary market. As on 30th June 2023 the aggregate NRI shareholding in the Company was 0.76%.

For more details in relation to foreign investment in the Company, refer to the shareholding pattern of the Company available on the website of the Company & that of the BSE Limited.

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 and Managing Director respectively since many years. Both of them have vast experience in chemical and allied industries. Considering this, the Board of Directors considered to their appointment to be in the best interest of Company. The information as required to be disclosed pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the director’s seeking appointment/re-appointment are provided in this notice.

Past Remuneration: Both Mr. Girishkumar Shah and Sanjay Marathe were paid a monthly remuneration of Rs. 10,00,000/- each (As on 30th June 2023)

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.Sc. Bangalore). He has an experience of more than 42 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 42 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. 10,00,000/- 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. 3 crores per annum respectively.

Proposed Remuneration to Whole Time Director & Managing Director

1.	Basic Salary	Rs. 10,00,000/- per month <i>with authority to the Board of Directors to revise the basic salary from time to time taking into account the performance of the Company.</i>
2.	Performance Bonus	<i>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 a yearly /half yearly/ quarterly review of the performance of Mr. Girishkumar Shah based upon the audited/ unaudited financial statements of the Company during the year /half year/ quarter. The performance Bonus / incentives for a particular year shall be considered in the limits of his Managerial Remuneration of that particular year, even if it is declared in subsequent year.</i>

Provided further that the basic salary and performance bonus / incentives if declared, shall together be subject to the overall limit of Rs. 3 crores per annum respectively to Mr. Girish Shah & Mr. Sanjay Marathe as provided in Special Resolution (Item No. 6 & 7).

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 of Rs. 3 Crores p.a.:

- 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: Taking into consideration the size of the Company, the profile of Mr. Girishkumar Shah & Mr. Sanjay Marathe, the responsibilities shouldered by them and the industry benchmarks, the remuneration proposed to be paid commensurates with the remuneration packages paid to similar senior level counterpart(s) in other companies.

Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Other than receipt of managerial remuneration and shareholding in the Company, both the directors do not have any pecuniary relationship with the Company. Mr. Girishkumar Shah and Mrs. Sidhdi Shah (Non -Executive Director w.e.f. 04th August 2023) are related as husband and wife and Mr. Sanjay Marathe and Mrs. Neela Marathe (Non -Executive Director upto 04th August 2023) are related as husband and wife.

Other Information:

Reason for inadequacy of profits, steps taken for improvement and expected increase in productivity:

The Company is an MSME, Medium sized Company and the scale of operations is also medium sized. At present, the profitability of Company is not adequate for payment of managerial remuneration to all Executive Directors of company as provided in section 197 of the Companies Act, 2013. As per Section 197 of the Act, overall managerial remuneration to Managing Directors, Managers and Whole Time Directors shall not exceed ten percent of the net profits calculated as per section 198 of the Act.

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 maintained at a steady rate on year-on-year basis. Expanding existing manufacturing facilities will help in reducing cost of production and reducing other direct costs. 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.

Steps taken or proposed to be taken for improvement: The Company is working on expansion of the existing plant facilities in phases. Company is striving for better efficiency of manufacturing facility and has adopted 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 2022-23, revenue and Net profit was maintained on same lines as that of FY 2021-22. Company is quite hopeful that situation will likely improve from the next financial year and onwards, owing to expansion.

Disclosures:

The information and Disclosures of the remuneration package of the Whole Time Director and Managing Director have been mentioned in this Explanatory Statement and have also been made in the Annual Report of the Company, wherever applicable.

This Explanatory Statement may be considered as the requisite abstract under Section 190 of the Act, setting out the terms, conditions and limits of remuneration for Managerial Personnel and may also be regarded as a disclosure under Secretarial Standard on General Meetings (SS-2) of Institute of Company Secretaries of India (ICSI).

The Company has received a declaration from Mr. Girishkumar Shah and Mr. Sanjay Marathe in terms of BSE circular LIST/COMP/14/2018-19 dated June 20, 2018, confirming that they are not debarred from holding the office of Director pursuant to order of SEBI or any other authority. In the opinion of the Board, Mr. Girishkumar Shah and Mr. Sanjay Marathe, both satisfy all the conditions set out in the SEBI Listing Regulations and in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of section 196 of the Act for being eligible for appointment as a Director. Further, they are not disqualified from being appointed as Director in terms of section 164 of the Act and have given consent to act as Director. Brief resume, nature of expertise, name of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding, and



relationships among directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 besides above, are provided in the statement giving details pursuant to Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of the Secretarial Standard-2 in respect of Directors seeking appointment / re-appointment, is annexed to this Notice.

Save and except Mr. Girishkumar Shah and Mrs. Sidhdhi Shah (Non-Executive Director w.e.f. 04th August 2023) related as husband and wife and Mr. Sanjay Marathe and Mrs. Neela Marathe (Non-Executive Director upto 04th August 2023) related as husband and wife, none of the other Directors / Key Managerial Personnel of the Company / relatives of Directors and Key Managerial Personnel are, in any way, concerned or interested, financially or otherwise, in the resolution. The relatives of Mr. Girishkumar Shah and Mr. Sanjay Marathe may deem to be interested in the resolution set out at Item No. 6 & 7 respectively of the Notice, to the extent of their shareholding interest, if any, in the Company.

Accordingly, the Board recommends the Special Resolutions as set out in Item No. 6 & 7 for approval of the Members.

Item No.8

Kalichem Private Limited being the Joint Venture Company, is a Related Party of the Company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1) (zb) of the Listing Regulations.

The value of transactions (for which the approval is being sought) for the period commencing from April 01, 2023 till the date of this Notice has not exceeded the materiality threshold. The Company is proposing to enter into certain business transactions with Kalichem Private Limited for the Financial Year 2023-24. The nature of transaction(s) involving for purchase and sale of goods, rendering and receiving of services, giving loans, making investments, providing guarantees, infusing funds through inter corporate deposits, etc. All transactions to be entered into by the Company with Kalichem Private Limited are in the ordinary course of business and are on arm's length basis and reviewed and recommended by the Audit Committee/ Board for placing it for approval of the shareholders in compliance with the provisions of the Act/ Listing Regulations/ Related Party Transaction Policy of the Company. It may be noted that as per the definition provided in the explanation to Regulation 23 (1) of Listing Regulations, a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1,000 Crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower. Further, all Material Related Party Transactions require prior approval of the Members through a Resolution, and no related party shall vote to approve such Resolution whether the entity is a related party to the particular transaction or not.

Chemcrux Enterprises Limited has been entering into similar transactions with Kalichem Private Limited in the previous years which were within the threshold limit. The value of transactions in past years (JV formed in the FY 2021-22 so accordingly details provided for two years) is as under:

FY: 2022-23: 942.03 Lakhs

FY: 2021-22: 128.42 Lakhs

The value of transactions with Kalichem Private Limited for the Financial Year 2023-24 are estimated to be upto Rs. 20 Crores (upto Rupees Twenty Crores only) and this amount exceeds the threshold limit ten per cent of the annual consolidated turnover of the listed entity, one of the criteria prescribed above in the definition of Material Related Party Transactions and therefore it is a Material Related Party Transaction. Approval of the members of the Company is therefore required in terms of Regulation 23(4) of the Listing Regulations, by way of passing of an Ordinary Resolution for the aforesaid Material Related Party Transactions to be entered into for the Financial Year 2023-24.

Details to be placed before members in line with the SEBI Circular are given below: -

Sr. No	Description	Details
1.	Type, material terms and particulars of the proposed transaction	Transactions involving purchase and sale of goods, rendering and receiving of services, giving Loans, making investments, providing guarantees, infusing funds through inter corporate deposit and other permissible transactions of similar nature as detailed above. All transactions to be entered into are at arm's length and ordinary course of business
2.	Name of the related party and its relationship with Chemcrux, including nature of its concern or interest (financial or otherwise)	Kalichem Private Limited is a Joint Venture Company in which Chemcrux has a stake of 50% in Share Capital.
3.	Tenure of the proposed transaction (particular tenure shall be specified)	Recurring Nature and approval are for Financial Year 2023-24.
4.	Value of the proposed transaction	Upto Rs.20 Crores
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year (FY2022-23), that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	Around 21%
6.	<p>If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary:</p> <p>i) details of the source of funds in connection with the proposed transaction;</p> <p>ii) where any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments,</p> <ul style="list-style-type: none"> • nature of indebtedness; • cost of funds; and • tenure. <p>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT</p>	<p>Own Funds – Internal Accruals</p> <p>No</p> <p>Unsecured Loan for 5 years (60 months) Rate of Interest: prevailing market rates (currently 9%)</p> <p>Business Purposes</p>
7.	Justification as to why the RPT is in the	Arrangement is commercially beneficial and

	interest of the listed entity;	would help Company expand its business when the JV will become operational
8.	Valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction	Not Applicable
9.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice

Relevant documents, if any, in respect of the said item will be available for inspection in electronic form on request by the members of the Company, upto the last date of the remote e-voting. Mr. Girishkumar Shah and Mr. Sanjay Marathe also hold directorship in Kalichem Private Limited (JV Company).

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested financially or otherwise in the Item No. 8 of the Notice, except Mr. Girishkumar Shah & Mr. Sanjay Marathe directors are deemed to be concerned or interested in the said Ordinary Resolution to the extent of their shareholding in the Company.

The Board of Directors, accordingly, recommends the passing of the proposed Ordinary Resolution as contained in Item No. 8 of the Notice.

Annexure – A

Details of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting (PURSUANT TO REGULATION 36(3) of THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STATNDARD-2 ON THE GENERAL MEETINGS)

NAME OF DIRECTOR	MR. GIRISHKUMAR SHAH, aged 67 years (DIN: 00469291)	MR. SANJAY MARATHE, aged 66 years (DIN: 01316388)	MRS. SIDHDHI SHAH, aged 62 years (DIN: 00469138)
Date of Birth (DD/MM/YYYY)	29/06/1956	05/11/1956	18/01/1961
Designation	Whole Time Director (Executive Chairman)	Managing Director	Non-Executive Director
Date of Appointment	15/04/1996	15/04/1996	04/08/2023
Terms and conditions of appointment/re-appointment	Re-appointment as Whole Time Director, designated as Executive Chairman for 5 years w.e.f. 01 st January 2024 till 31 st December 2028, subject to approval of the shareholders at the ensuing AGM. Liable to retire by rotation Re-appointment on rotation	Re-appointment as Managing Director for 5 years w.e.f. 01 st January 2024 till 31 st December 2028, subject to approval of the shareholders at the ensuing AGM. Liable to retire by rotation	Additional Director (Non-Executive & Non-Independent) with effect from 04 th August 2023. Appointment is subject to regularisation by the shareholders of the Company at the ensuing Annual General Meeting of the Company. Liable to retire by rotation
Qualifications	Bachelor of Engineering in Chemical Post-graduate in Industrial Management	Bachelor of Engineering in Chemical (M. Tech) from Indian Institute of Technology (IIT)	Bachelor of Science (Physio) from The Maharaja Sayajirao University of Vadodara (M.S University)
Expertise in Specific Functional Area	Marketing and Finance	Production	Management & Administration

NAME OF DIRECTOR	MR. GIRISHKUMAR SHAH, aged 67 years (DIN: 00469291)	MR. SANJAY MARATHE, aged 66 years (DIN: 01316388)	MRS. SIDHDHI SHAH, aged 62 years (DIN: 00469138)
Directorship in other companies	Kalichem Private Limited -Nominee Director of Chemcrux Enterprises Limited	Kalichem Private Limited - Nominee Director of Chemcrux Enterprises Limited	NIL
Membership of committees in public limited companies	NIL	Chemcrux Enterprises Limited CSR Committee (Chairperson) Stakeholders Relationship Committee (Member)	Chemcrux Enterprises Limited (w.e.f. 04/08/2023) CSR Committee (Member) Stakeholders Relationship Committee (Chairperson)
Inter relationship	Executive Chairman, Promoter & Director, Husband of Mrs. Sidhdhi Shah (Additional Director (Non-Executive & Non-Independent w.e.f 04/08/2023)	Promoter, Managing Director & Husband of Mrs. Neela Marathe, Director (Non-Executive & Non-Independent upto 04/08/2023)	Forming part of Promoter Group, Wife of Whole Time Director, Mr. Girishkumar Shah
No. & % of Equity Shares held in the company (as on 31/03/2023)	5400240 (36.47%)	5400240 (36.47%)	120 (0.0008%)
Number of Board Meetings attended during the financial year 2022-23	6 of 6	5 of 6	NA
Details of remuneration last drawn (FY 22-23)	Rs. 84,00,000/- as Salary Rs. 33,60,000/- as Performance Bonus	Rs. 84,00,000/- as Salary Rs. 33,60,000/- as Performance Bonus	NA
Name of Listed Companies from which the Director resigned during last three years	N.A.	N.A.	Chemcrux Enterprises Limited

BOARD'S REPORT

Your Directors have pleasure in presenting the 27th Annual Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March 2023.

1. FINANCIALS:

[Rupees in Lakhs except EPS]

PARTICULARS	2022-23	2021-22	2022-23	2021-22
	STANDALONE		CONSOLIDATED	
Revenue from Operations	9515.24	9527.06	9,515.24	9,527.06
Other Income	105.21	99.83	105.21	99.83
Total Revenue	9,620.45	9626.89	9,620.45	9,626.89
Less: Expenses before Interest and Depreciation	-7370.1	-7456.54	-7370.1	-7456.54
Less: (a) Interest	-81.84	-16.73	-81.84	-16.73
(b) Depreciation	-203.72	-158.81	-203.72	-158.81
Profit Before Tax	1964.79	1994.81	1964.79	1994.81
Less: Tax Expenses				
Current Tax	-476.26	-491.5	-476.26	-491.5
Deferred Tax	-52.87	-17.85	-52.87	-17.85
Prior year's Income Tax Adjustment	0.15	0.41	0.15	0.41
Profit after Tax	1435.81	1485.87	1435.81	1485.87
Other comprehensive income				
i. Items that will not be reclassified to profit or loss: Defined Benefit Plan	11.79	-0.22	11.79	-0.22
ii. Income tax relating to items that will not reclassified to profit or loss	-2.97	-0.06	-2.97	-0.06
iii. Items that will be reclassified to profit or loss -Fair Value Gain on Investments	31.76	7.33	31.76	7.33
iv. Income tax relating to items that will be reclassified to profit or loss	-7.99	-1.84	-7.99	-1.84
Total other comprehensive income, net of tax	32.59	5.32	32.59	5.32
Total comprehensive income for the year	1468.40	1491.20	1468.40	1491.20
Earnings per Share	9.70	10.03	9.70	10.03

Note: The Company has first time adopted Indian Accounting Standards (Ind AS) owing to migration to main Board of BSE Limited w.e.f. 05th May 2022 and the figures mentioned are as per the Financials prepared on the basis of Ind AS.

2. KEY FINANCIAL RATIOS :

Ratio	Numerator	Denominator	Mar-23	Mar-22	% Variance	Reason for variance
(a) Current ratio	Total Current Assets	Total Current Liabilities	3.36	2.10	60.58%	The increase in the ratio is due to an increase in current investments.
(b) Debt-equity ratio	Short Term Borrowing + Long Term Borrowing	Total Equity	0.202	0.147	37.83%	The increase in the ratio is due to an increase in long term borrowings.

Ratio	Numerator	Denominator	Mar-23	Mar-22	% Variance	Reason for variance
(c) Debt service coverage ratio	Profit Before Interest and Tax	Total Debts Service (Interest + Finance Lease Payment + Principal Repayment)	1.13	1.79	-36.96%	The decrease in the ratio is due to an increase in the borrowing cost.
(d) Return on equity ratio	Net Profit after Tax	Total Equity	0.24	0.31	-23.84%	-
(e) Inventory turnover ratio	Net Sales	Average Inventory	7.42	10.06	-26.28%	The decrease in the ratio is due to an increase in average inventories.
(f) Trade receivables turnover ratio	Net Sales	Average Trade Receivables	5.89	8.59	-31.42%	The decrease in the ratio is due to an increase in average trade receivables.
(g) Trade payables turnover ratio	Net Purchases	Average Trade Payable	4.61	7.62	-39.55%	The decrease in the ratio is due to an increase in average trade payable.
(h) Net Working capital turnover ratio	Net Sales	Working Capital	4.12	5.59	-26.39%	The decrease in the ratio is due to an increase in current assets.
(i) Net profit ratio	Net Profit	Sales	0.15	0.16	-3.25%	-
(j) Return on capital employed	Earning Before Interest and Tax	Capital Employed	0.22	0.26	-18.62%	-
(k) Return on investment	Profit After Tax	Total Assets	0.15	0.18	-17.09%	-

3. DIVIDEND:

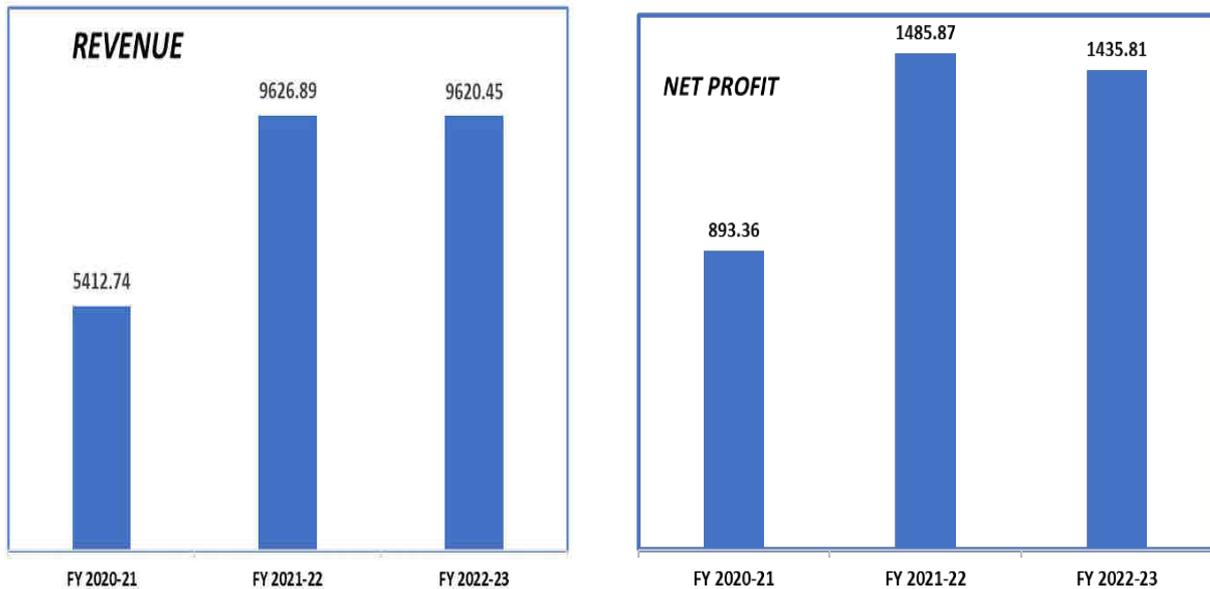
Dividend is recommended by your Board taking into consideration the factors like overall profitability, cash flow, capital requirements and other business needs of your company. Your Board of Directors are pleased to recommend a final dividend of Rs. 2/- per equity share (20%) on 1,48,08,840 equity shares of Rs.10/- each subject to approval of shareholders at the forthcoming Annual General Meeting. The Dividend when approved, would result in a total outflow of Rs. 296.18 Lakhs. 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 (except EPS)	FY 2020-21	FY 2021-22	FY 2022-23	% Change (1 year)	% Change (3 years)
Revenue	5412.74	9626.89	9620.45	-0.07	77.74
EBDITA	1334.89	2170.35	2250.35	3.69	68.58
Profit before Tax	1199.93	1994.81	1964.79	-1.50	63.74
Net Profit	893.36	1485.87	1435.81	-3.37	60.72
Networth	4075.89	5468.34	6640.56	21.44	62.92
EPS	6.03	10.03	9.7	-3.29	60.86

KEY FINANCIALS CHART – 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. 15,00,00,000/- divided into 1,50,00,000 equity shares of Rs. 10 each. The paid-up share capital of the company is Rs. 14,80,88,400/- divided into 1,48,08,840 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 your Company were listed on SME segment of BSE Limited since March, 2017. Further, equity shares of the Company have Migrated from SME Platform of BSE Limited to Main Board of BSE Limited w.e.f. 05th May 2022.

6. TRANSFER TO RESERVE:

The Company does not propose to transfer any amount to the general reserve out of the amount available in reserves and surplus.

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 has taken credit facilities totaling to Rs. 32 Cr in nature of Term Loan and Cash credit for expansion. Effective financial measures have been continued to reduce cost of interest and bank charges.

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

There was no amount outstanding to be transferred as unclaimed dividend to investor education and protection fund during the FY 2022-23.

9. MATERIAL EVENTS OCCURRING AFTER THE END OF FINANCIAL YEAR AND UPTO THE DATE OF REPORT:

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.

10. ORDER OF AUTHORITIES/ COURT/ REGULATORS:

No order of any government, state, local or statutory authorities were received during the FY 2022-23 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 is certified with ISO 50001: 2018 Certification from BSI (British Standards Institution) and ANAB (American National Standards Institution Accreditation Board). Your Company is 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 2022-23, Energy consumption was 2861.052 mwh and cost incurred was Rs. 237.25 lakhs.

(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 has R&D facility located at GIDC, Ankleshwar Gujarat.

RESEARCH AND DEVELOPMENT EXPENDITURE	Amt (In Lakhs)
Capital expenditure	427.94
Revenue expenditure	13.24

(C) Foreign exchange earnings and Outgo:

PARTICULARS	Amt (In Lakhs)
Foreign Exchange earned in terms of actual inflows during the year	832.47
Foreign Exchange outgo during the year in terms of actual outflows	1495.31

(D) Environment:

Your Company is ISO 14001:2015 certified which specifies the requirements for the formulation and maintenance of an environmental management systems (EMS). 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 have the Environment Policy 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. On account of outbreak of Covid global pandemic and

uncertainty caused by it, Company adopted Risk Management Policy to minimize the impact on its operations, customers, suppliers and employees.

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 are applicable to the Company. In line with same, a Corporate Social Responsibility Committee has been constituted by the Board of directors. As on 31st March 2023, the Committee composition is as follows: Mr. Sanjay Marathe- Chairman of the CSR Committee, Mrs. Neela Marathe & Mr. Mukund Bakshi- members of the CSR Committee. The Company has in place a 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 2022-23 as approved by the CSR Committee, the amount for CSR expenditure amounting to Rs. 30,93,399/- was spent in areas specified under schedule VII of the Companies Act, 2013. Please refer [Annexure V](#) 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 Company has granted loan to Kalichem Private Limited and given Corporate Guarantee for Kalichem Private Limited (Joint Venture Company) by complying with section 185 & 186 of the Companies Act, 2013 - a company where directors are interested. The amount of Loan granted during the FY 2022-23 is amounting to Rs. 155 Lakhs /- and Corporate Guarantee for an amount of Rs. 750 Lakhs. The same was in line with the resolution approved by members at the 25th AGM held on 24th August 2021. The details are given in the financial statements. 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 Audit Committee as per the omnibus approval of Audit Committee. Further, as there are no material related party transactions during the year and thus a disclosure in Form AOC-2 in terms of Section 134 of the Act is not required.

The Board of Directors of the Company have adopted revised 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, following changes were there in the directors and KMPs:

- Mr. Mukund Bakshi was appointed an Additional (Non-Executive Independent) Director w.e.f. 22nd December 2021 and at the 26th AGM held on 23rd September 2022 his appointment was regularised and he was appointed as an Independent Director for a term of 5 years by members.
- 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.

➤ 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, committees 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 under review, six Board Meetings and five Audit Committee Meetings were held. The Company has also constituted Nomination and Remuneration Committee, Stakeholders relationship committee and Corporate Social Responsibility Committee as per the provisions of the Companies Act 2013 and SEBI (LODR) Regulations, 2015. The Committee meetings are held as per the requirement of the applicable laws. The details are given in the Corporate Governance Report which is annexed as [Annexure I](#). The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations.

➤ **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 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and the relevant rules. The letter of appointment to Independent Directors as provided under Companies Act, 2013 has been issued and placed on website of the Company: www.chemcrux.com. The Independent Directors confirm that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that he is independent of the management.

17. AUDIT COMMITTEE AND VIGIL MECHANISM & WHISTLE BLOWER:

The Audit Committee as on 31st March 2023, has 3 members -Mr. Mukund Bakshi –Independent Director (Chairman) Mr. Shailesh Patel- Independent Director and Mr. Bhanubhai Patel – Independent Director. During the year five Audit Committee Meetings were held. The details of the same are given in Corporate Governance Report. In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism & Whistle Blower 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

Pursuant to Section 134(3)(a) and 92(3) of the Act, the Annual Return of the Company has been placed on the website of the Company at <http://www.chemcrux.com/investor-info.php>.

In terms of Rules 11 and 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return shall be filed with the Registrar of Companies, within the prescribed timelines.

20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary Company. A Joint venture Agreement has been entered with Kalintis Healthcare Private Limited & a Joint Venture Company under the name Kalichem Private Limited w.e.f. 22nd December 2021 has been formed. The details are in form AOC-1 ([Annexure IV](#)).

21. DEPOSITS:

The Company has neither accepted nor renewed any deposits during the year under review. No Unsecured loan availed from Directors during the year.

22. AUDITORS:

➤ STATUTORY AUDITORS

M/s. R.J. Shah & Associates has been appointed as the Statutory Auditor of the Company at the 22nd Annual General Meeting and will be completing term of 5 years upon conclusion of ensuing 27th Annual General Meeting of the Company. The [report of the Statutory Auditors](#) of the Company is annexed and is forming part of the Annual Report.

The Board of Directors at their meeting held on 04th August 2023, have recommended appointment of M/s. Naresh & Co., Chartered Accountants, Vadodara (FRN: 106928W) as Statutory Auditors from the conclusion of the ensuing 27th AGM till 32nd AGM to be held in the year 2028 (for FY 31/03/2028). As required under Listing Regulations, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. Their appointment is subject to the approval of the shareholders at the ensuing AGM.

➤ 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 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 III](#)".

➤ INTERNAL AUDITORS:

M/s. Naresh & Co., Chartered Accountants, Vadodara were the Internal Auditors till completion of 1st Quarter of FY 2022-23 (till 30th June 2023). The report of Internal Auditors is reviewed by the Audit Committee from time to time.

The Board has appointed K R & Associates, Chartered Accountants, Vadodara (FRN: 131846W) as the Internal Auditors, to conduct the Internal Audit from the 2nd quarter onwards for the FY 2023-24.

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:** The 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 Shares during the year under review.
- d. **EMPLOYEES STOCK OPTION PLAN:** The Company has not provided any Stock Option Scheme to the employees.

26. CORPORATE GOVERNANCE:

As per Regulation 34(3) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate Section on Corporate Governance ([Annexure I](#) to the Board's Report) on corporate governance practices followed by the Company, together with a certificate from the Company's Secretarial Auditor confirming compliance forms an integral part of this Report. e provided in

27. AWARDS AND RECOGNITIONS:

The Company has following recognitions and/or awards:

- One Star Export House
- AEO - T1 Certificate
- 2019 - SKOCH order of Merit (top 200 MSMEs)
- 2020 - 4th IPF Excellence Award (fast growing SME)
- 2021 - 1st Rank in Top 50 SME Companies (Dalal Street Investment Journal June 07-20, 2021 edition)
- Recognized as FT High-Growth Companies Asia-Pacific 2023 & India's Growth Champions 2023

28. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report at [Annexure II](#).

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 – 35.34: 1 (Rs. 1,17,60,000: 3,32,745)
Other Directors – Not Applicable as they are only paid sitting fees.
- 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 2022-23, there was 12 % increase in remuneration of WTD and 12 % increase in remuneration of MD. There is 20% of increase in remuneration of CS and 20% of increase in remuneration of CFO, in FY 2022-23.
- c) The percentage increase in the median remuneration of employees in the financial year – **Median Remuneration is Rs. 3,32,745 and average increase is 20% for the F.Y. 2022-23.**
- d) The number of permanent employees on the rolls of the Company as on 31.03.2023 – **94**
- 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 20% increase in salaries of Employees and 12 % increase in Managerial Remuneration of Directors during F.Y. 2022-23. 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.**
 - The particulars of employees in the Company drawing remuneration aggregating to Rs. 1.02 crore or above per annum are as under:**

NAME	MR. GIRISHKUMAR SHAH, aged 67 years (DIN: 00469291)	MR. SANJAY MARATHE, aged 66 years (DIN: 01316388)
Designation	Whole Time Director (Executive Chairman)	Managing Director
Date of Appointment	15/04/1996	15/04/1996
Experience	More than 42 years	More than 42 years
Nature of Employment, whether contractual / otherwise	Whole Time Director, designated as Executive Chairman for 5 years as per appointment resolution w.e.f. 01/01/2019	Managing Director for 5 years as per appointment resolution w.e.f. 01/01/2019
Qualifications	Bachelor of Engineering in Chemical Post-graduate in Industrial Management	Bachelor of Engineering in Chemical (M. Tech) from Indian Institute of Technology (IIT)
No. & % of Equity Shares held in the company (as on 31/03/2023)	5400240 (36.47%)	5400240 (36.47%)
The last employment held by such employee before joining the Company	Self - Employed	Self - Employed
Details of remuneration last drawn (FY 22-23)	Rs. 84,00,000/- as Salary Rs. 33,60,000/- as Performance Bonus	Rs. 84,00,000/- as Salary Rs. 33,60,000/- as Performance Bonus
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Executive Chairman, Husband of Mrs. Sidhhi Shah (Additional Director (Non-Executive & Non-Independent w.e.f 04/08/2023)	Husband of Mrs. Neela Marathe, Director (Non-Executive & Non-Independent upto 04/08/2023)

- h) The statement containing names of top Ten employees (excluding directors) in terms of remuneration drawn and the particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014 is furnished as below:

Sl No	EMPLOYEE NAME	DESIGNATION	Salary (p.a.)	Nature of employment (permanent / Contract/ Otherwise)	Qualification	Experience (in years) as on 31.03.23	date of joining	Age as on 31.03.2023	Last employment	% of equity shares held as on 31.03.23	whether relative of director
1	Vipul Sanghvi	Factory Manager	1525800	Permanent	Mecanical Engineer	35 +	17-07-09	56	Self-employed	0.00067527	No
2	Manharbhai Maganbhai Patel	Executive Logistic	844872	Permanent	B.com	33+	15-04-96	57	-	-	No
3	Heena Shah	QC Manager	814236	Permanent	B.pharm	15 +	01-01-07	46	-	-	No
4	Balasaheb Bapurao Jadhav	Executive Commerce	750408	Permanent	B.com	27+	01-03-95	53	-	-	No
5	Krutarth Parikh	Chief Financial Officer	636792	Permanent	B.com, Certified Accounting Technician & semi qualified CA	8+	01-02-21	36	Larsen and Toubro Limited	0.0000338	No
6	Sunita Borade	Executive Office	560916	Permanent	B.Com	15+	01-11-07	53	Baroda Citizen Council	0.0000675	No
7	Ajay Shinde	Office Assistant	544284	Permanent	11th	31+	01-09-04	54	-	0.0000338	No
8	Sushil Tripathi	Assistant Manager Account	517380	Permanent	Graduate	22+	10-01-11	50	Environ Engineering Company	-	No
9	Swati Amrendra sinha	Executive Office	478791	Permanent	B.Sc	13+	15-06-09	36	-	-	No
10	Jaykrishnan kurup	Assistant Manager Sales	441600	Permanent	Diploma in Sales	30+	01-02-22	57	Farmson Pharmaceutical Gujarat Private Limited	0.0000338	No

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 complaints of women employees. No complaints for sexual harassment were received during the year.

31. MAINTENANCE OF COST RECORDS:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 dated 31/12/2014. 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 your Company and your Company has maintained costs records for the F Y 2022-23. However, cost audit was not applicable for the Financial Year 2022-23.

32. CORPORATE GOVERNANCE AND FAIR BUSINESS PRACTICES:

The extant provisions of corporate governance prescribed under SEBI Listing Regulations were applicable to the Company for the FY 2022-23 and the Company has followed the said provisions and the report on the Corporate Governance is given in [Annexure I](#) to this Report. 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 have in place the Business Ethics Policy, which is available at the website of company www.chemcrux.com.

33. COMPLIANCE WITH 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. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THE CURRENT STATUS:

During the year under Review, neither any application was made, nor any proceedings were pending under Insolvency and Bankruptcy Code, 2016.

35. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

Not Applicable

36. 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. The Company has in place 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.

37. 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.

38. ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to bankers, business associates, consultants, employees and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledge 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**

Place : Vadodara
Date : 04th August 2023

Sd/-
GIRISHKUMAR SHAH
CHAIRMAN
(DIN: 00469291)

2.1 Annexure I - to the Board's Report 2022-23

CORPORATE GOVERNANCE REPORT 2022-23

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Chemcrux, is committed to the highest standards of fair, ethical and transparent governance practices. The corporate governance policies followed by Company are intended to ensure transparency in all dealings and to maximize long-term shareholder value by selling its goods and services. Company's corporate governance conforms to regulatory and legal requirements, such as the terms of Listing Regulations. Key aspects of the Company's Governance Processes are:

- a. Clear statements of Board Processes and Board Executive linkage.
- b. Disclosure, accountability, transparency, adequate systems and procedures to monitor the state of affairs of the Company to enable the Board in effectively discharging its responsibilities to the stakeholders of the Company.
- c. Identification and management of key risks to delivery of performance of the Company.

2. BOARD OF DIRECTORS

The Company has a balanced structure of the Board which is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations"). As on 31st March 2023, the Board comprises of Six Directors (Four being Non-Executive Directors), of which three Directors are the Independent Directors.

Mr. Girishkumar Shah- Whole Time Director is the Executive Chairman & Mr. Sanjay Marathe is the Managing Director. They both are promoters of the Company. Except Mr. Girishkumar Shah and Mrs. Sidhdhi Shah (Non-Executive Director w.e.f. 04th August 2023) related as husband and wife and Mr. Sanjay Marathe and Mrs. Neela Marathe (Non-Executive Director upto 04th August 2023) related as husband and wife, none of the Directors have any inter-se relation among themselves and any employee of the Company. Out of all NEDs, only Mrs. Neela Marathe (Non-Executive Director upto 04th August 2023) and Mrs. Sidhdhi Shah (Non-Executive Director w.e.f. 04th August 2023) hold 72 & 120 shares in the Company respectively and rest 3 (independent directors) do not hold any shares in the Company.

All Independent Directors on the Board are highly experienced, competent and renowned persons in their respective fields. They actively participate in the Board and Committee Meetings. The Board and Committee Meetings are convened by giving appropriate notice at least 7 days in advance of the date of meeting. The Directors are provided with appropriate information in the form of agenda items in a timely manner to enable them to deliberate on each agenda item and to make informed decisions. All significant developments and material events are brought to the notice of the Board. The gap between any two Board Meetings did not exceed one hundred twenty (120) days as prescribed under the Companies Act, 2013 and the Listing Regulations.

During the Financial year 2022-23, Six Board Meetings were held on following dates:

Date of the Meeting	Total Strength	No. of Directors' present
20 th May 2022	6	6
02 nd June 2022	6	4
12 th August 2022	6	5
12 th November 2022	6	6
23 rd January 2023	6	4
13 th February 2023	6	5

The last Annual General Meeting was held on 23rd September 2022. Details of composition of the Board, attendance of Directors at the Board Meetings and last Annual General Meeting (AGM), other Directorships (excluding Private Limited Companies, Foreign Companies and Section 8 Companies), category and Committee positions as on 31st March 2023 are given below:

SR. NO.	NAME	DESIGNATION	DIN	No. of BM attended	Attended Last AGM (23/9/22)	*No. of Directorships in other public limited companies	**No. of Committee positions held in other public limited companies	
							Chairman	Member
1	Mr. Girishkumar Champaklal Shah	WTD-ED (Chairman-Promoter)	0046 9291	6 of 6	Yes	Nil	Nil	Nil
2	Mr. Sanjay Yashawantrao Marathe	MD-ED (Promoter)	0131 6388	5 of 6	Yes	Nil	Nil	Nil
3	Mrs. Neela Sanjay Marathe	NED (Non-Independent)	0046 9204	5 of 6	Yes	Nil	Nil	Nil
4	Mr. Bhanubhai Vashrambhai Patel	NED (I)	0072 7280	4 of 6	No	Nil	Nil	Nil
5	Mr. Shailesh Patel	NED (I)	0282 6895	5 of 6	Yes	Nil	Nil	Nil
6	Mr. Mukund Bakshi	NED (I)	0006 6993	5 of 6	Yes	1	Nil	2

*Excluding Chemcrux Enterprises Limited

** Other Board Committees mean Audit Committee and Stakeholders' Relationship Committee

ED- Executive Director, WTD- Whole Time Director, MD- Managing Director, NED (I)- Non-Executive Director (Independent), NED- Non-Executive Director

3. LIST OF DIRECTORSHIPS HELD IN COMPANIES AND CATEGORY OF DIRECTORSHIP:

Name of Director (as on 31 st March 2023)	Name of the companies in which the Director of the Company is a director	Category of Directorship in the companies
Mr. Girishkumar Champaklal Shah	Chemcrux Enterprises Limited	Whole Time Director, Executive Chairman
	Kalichem Private Limited	Nominee Director of Chemcrux Enterprises Limited
Mr. Sanjay Yashawantrao Marathe	Chemcrux Enterprises Limited	Managing Director
	Kalichem Private Limited	Nominee Director of Chemcrux Enterprises Limited
Mrs. Neela Sanjay Marathe	Chemcrux Enterprises Limited	Non-Executive Director- Woman Director
Mr. Bhanubhai Vashrambhai Patel	Chemcrux Enterprises Limited	Non-Executive (Independent) Director
	Kapil Organisers Private Limited	Director
Mr. Shailesh Patel	Chemcrux Enterprises Limited	Non-Executive (Independent) Director
Mr. Mukund Bakshi	Chemcrux Enterprises Limited	Non-Executive (Independent) Director
	Jindal Hotels Limited	Non-Executive (Independent) Director

4. SKILL/ EXPERTISE/ COMPETENCE OF BOARD OF DIRECTORS:

The Board of Company comprises of qualified individuals who bring the required skills, competencies, expertise and diversity to the Board that allows them to contribute efficiently. The Board and Committees thereof, are committed to ensure that Company is compliant with Corporate Governance requirements. The Board has identified and briefly summarized key qualifications, skills and competence which are currently available with the Board in areas namely Leadership, Corporate Governance, Finance &

Taxation, Legal, Global Business, Strategic Planning & Innovation. Further, the brief introduction of Board of Directors (as on 31st March 2023) is as under:

a. Girishkumar Shah, Promoter, Executive Chairman and Whole Time Director

Girish Shah is the Promoter, Executive Chairman and Whole Time Director. He holds a degree in Bachelor of Engineering in Chemical from the Maharaja Sayajirao University of Vadodara and post-graduate in Industrial Management from Indian Institute of Science, Bangalore (I.I.Sc.). He has an experience of more than 42 years in chemical industry. Presently he heads Marketing and Finance division of the Company.

b. Sanjay Marathe, Promoter and Managing Director

Sanjay Marathe is the Promoter and Managing Director. He holds a degree in Bachelor of Engineering in Chemical from The Maharaja Sayajirao University of Vadodara and master's degree (M. Tech) from Indian Institute of Technology (IIT), Powai. He has an experience of more than 42 years in chemical industry. Presently, he is involved in overall production activities of the Company.

c. Shailesh Patel, Independent Director

Shailesh Patel has been appointed as Independent Director of Company with effect from September 30, 2016. He has completed his Bachelor of Commerce and Bachelor of law from, Maharaja Sayajirao University of Vadodara. He is a leading Advocate practicing in Vadodara.

d. Bhanubhai Patel, Independent Director

Bhanubhai Patel has been appointed as Independent Director of the Company with effect from September 30, 2016. He has completed his Bachelor of Science from Gujarat University and B.Sc. (Tech.) from University Department of Chemical Technology (UDCT), Mumbai, Maharashtra. He has experience of more than 35 years in the industry.

e. Neela Marathe, Non-Executive Director (Upto 04/08/2023)

Neela Marathe is appointed as Non-Executive Director of the Company since December 31, 1999 and she is also one of the subscribers of MOA of our Company. She is a Commerce Graduate.

f. Mukund Bakshi, Independent Director

Mukund Bakshi has been appointed as an Independent Director with effect from December 22, 2021. He has done Master's in Commerce and is a Chartered Accountant (CA). He is in Practice since 1986, presently a partner with M/s. Mukund & Rohit, Chartered Accountants, Vadodara. He practices in the areas of Direct Taxes. He is associated with various NGOs and as an Independent Director on the Board of Jindal Hotels Limited.

5. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Regulation 25 (7) of the SEBI Listing Regulations mandates the Company to familiarize the Independent Directors about the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various programmes. The Executive Chairman and/or Managing Director has one to one discussion with the newly appointed Directors to familiarize them with the Company's operations. The Company through its Managing Director/ Whole time Director/ Senior Managerial Personnel periodically familiarize the Independent Directors with the strategy, business and operations of the Company. The above programme also includes the familiarization on statutory updates and compliances as a Board member including their roles, rights and responsibilities. The Familiarization programme for Independent Directors is uploaded on the website of the Company: www.chemcrux.com under investor info. At the time of appointing a director, a formal letter of appointment is given to him / her, which inter alia explains the role, function, duties and responsibilities expected from him/her as a Director of the Company. The Director is also explained in detail about the Compliances required from him/ her under the Companies Act, 2013, SEBI Listing Regulations 2015 and other relevant provisions and affirmation is taken with respect to the same.

6. EVALUATION:

During the year, the Board has carried out evaluation of its own performance and the performance of the committees of the Board and Independent individual Directors. The Board has evaluated the composition of Board, its committees, experience and expertise, performance of specific duties and obligations, governance matters, etc. with an aim to improve their effectiveness. Performance review of Board as a whole, individual Executive Directors and the Board Chairman was also carried out by Independent

Directors at their separate meeting, inter alia covering respective attendance at Board / Committee meetings, contributions at the meetings, circulation of sufficient documents and information to the Directors, timely availability of the agenda, etc.

Further, the Board has carried out the evaluation of the Independent Directors, which included the performance of the Independent Directors and fulfilment of the independence criteria as specified in the Listing Regulations and their independence from the management. The Directors who were subject to evaluation did not participate in the proceedings of the meeting.

7. AUDIT COMMITTEE

TERMS OF REFERENCE:

The powers and terms of reference of the Audit Committee are in conformity with Section 177 of the Companies Act, 2013 and Regulation 18 and Part C of Schedule II of the Listing Regulations.

The Audit Committee acts as a link between the Statutory Auditors, Internal Auditors and the Board of Directors with purpose of assisting the Board in fulfilling its overall responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Audit Committee also oversees and reviews the functioning of a vigil mechanism and Whistle Blower Policy. All the members of the Audit Committee are financially literate and possess sound knowledge in finance and accounting practices. Besides having access to all the required information from within the Company, the Committee may obtain external professionals' advice, whenever required.

COMPOSITION:

The Audit Committee was constituted by the Board of Directors at its meeting held on 20th December 2016 and is reconstituted from time to time. The latest reconstitution was done on 23rd January 2023. The composition of the Audit Committee as on 31st March 2023 is as under:

SR. NO.	NAME	DESIGNATION	CATEGORY
1	Mr. Mukund Bakshi	Chairperson cum Member	Independent Director
2	Mr. Shailesh Patel	Member	Independent Director
3	Mr. Bhanubhai Patel	Member	Independent Director

The Audit Committee held five meetings and the time gap between any two meetings was less than 120 days. The dates of audit committee meetings and details of the attendance of the members of the committee are as under:

Name of Director	Audit Committee Meetings during 2022-23					
	20 th May 2022	12 th August 2022	12 th November 2022	23 rd January 2023	13 th February 2023	% of attendance
Mr. Mukund Bakshi	Yes	Yes	Yes	Yes	-	80
Mr. Shailesh Patel	Yes	Yes	Yes	Yes	Yes	100
Mr. Bhanubhai Patel (w.e.f. 23/01/2023)	NA	NA	NA	NA	Yes	100
Mrs. Neela Marathe (upto 23/01/2023)	Yes	Yes	Yes	-	NA	75

Mr. Mukund Bakshi is the Chairman of the Audit Committee and he attended the last AGM of the Company held on 23rd September 2022. All the members of Audit Committee have financial and accounting knowledge.

The Company's Internal Auditors, Statutory Auditors and CFO are invited to attend the meetings. The Company Secretary acts as the Secretary to the Committee.

8. NOMINATION AND REMUNERATION COMMITTEE:

TERMS OF REFERENCE:

Committee's constitution and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 and Part D of Schedule II of the Listing Regulations, as amended from time to time.

The Committee to identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall also carry out evaluation of every director's performance. Committee formulates the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

COMPOSITION:

The Nomination and Remuneration Committee was constituted by the Board of Directors at its meeting held on 20th December 2016 and was last reconstituted on 22nd December 2021. The composition of the Nomination and Remuneration Committee as on 31st March 2023 is as under:

SR. NO.	NAME	DESIGNATION	Category
1	Mr. Bhanubhai Patel	Chairperson cum Member	Independent Director
2	Mr. Shailesh Patel	Member	Independent Director
3	Mr. Mukund Bakshi	Member	Independent Director

The Nomination and Remuneration Committee held one meeting during the FY 2022-23 on 09th July 2022. The details of the attendance of the members of the committee are as under:

Name of Director	Nomination and Remuneration Committee Meeting during 2022-23	
	09 th July 2022	% of attendance
Mr. Bhanubhai Patel	Yes	100
Mr. Shailesh Patel	Yes	100
Mr. Mukund Bakshi	Yes	100

Mr. Bhanubhai Patel is the Chairman of the Nomination and Remuneration Committee and he was unable to attend the last Annual General Meeting held on 23rd September 2022 as he was travelling abroad. The Company Secretary acts as the Secretary to the Committee.

The Board has approved the Nomination and Remuneration Policy on the recommendation of Nomination and Remuneration Committee. The main objectives of the Policy are outlined below:

- Recommending to the Board the appointment and re-appointment of Directors and senior management personnel and their remuneration.
- Carrying out performance evaluation of Directors.

Nomination and Remuneration Policy and details of remuneration paid / payable to the Directors for the year ended 31st March 2023:

REMUNERATION OF DIRECTORS:

Non-Executive /Independent Directors:

- The Company pays sitting fees of Rs. 5,000/- for attending the meeting of the Board of Directors and Committee Meetings (for Audit Committee Meetings, Nomination and Remuneration Committee Meetings and Stakeholders Relationship Committee Meetings) to Non-Executive Directors. The policy is available at the website of company at www.chemcrux.com/investor-info.php.

- An Independent / Non- Executive Directors is also reimbursed the expenses if any, incurred by him / her for attending the Board and / or Committee meetings.
- There are no pecuniary transactions or relationships between the Company and its Non-Executive Directors except those disclosed in the financial statements for the year ended on 31st March 2023.

Executive Directors:

- No sitting fees are paid to the Managing and Executive Directors.
- The Company pays remuneration to its Whole Time Director (Executive Chairman) and Managing Director by way of salary, allowances and perquisites as per the Company's rules. The salary and other perquisites are approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee and the remuneration is paid within the overall limits approved by the members of the Company.

Details of the remuneration / sitting fees paid / payable to all the Executive/ Independent / Non-Executive Directors for the year 2022-23 are given below:

(in Lakhs)					
SR. NO.	NAME	GROSS SALARY	SITTING FEES	PERFORMAN -CE BONUS	TOTAL
1	Girishkumar Champaklal Shah	84	Nil	33.60	117.60
2	Sanjay Yashawantrao Marathe	84	Nil	33.60	117.60
3	Neela Sanjay Marathe	Nil	0.45	Nil	0.45
4	Bhanubhai Vashrambhai Patel	Nil	0.35	Nil	0.35
5	Shailesh Patel	Nil	0.55	Nil	0.55
6	Mukund Bakshi	Nil	0.50	Nil	0.50

Linkage to Performance:

The relationship of remuneration to performance ties the part of remuneration to performance of Company and KMP. The level varies according to performance to be decided annually or at such other intervals as may be considered appropriate.

Evaluation Criteria:

The Board constantly evaluates the contribution of the members and re-appoints them for tenure as per company requirement based on their performance linked to strategic objectives of the Company. Evaluation criteria includes accountability, governance, board operations, legal responsibilities, financial overview, board management relations and personal leadership.

9. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to provisions of section 178 of the Act and regulation 20 of the Listing Regulations, Stakeholders Relationship Committee was originally formed in the Board Meeting held on 20th December 2016 and was last reconstituted on 04th August 2023. The Committee specifically looks into issues relating to investors including share related matters and redressal thereof.

The role of the Stakeholders' Relationship Committee as specified in Part D of the Schedule II of the Listing Regulations has been included in the terms of reference of the Stakeholders Relationship Committee.

TERMS OF REFERENCE:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

COMPOSITION:

The Stakeholders Relationship Committee was constituted by the Board of Directors at its meeting held on 20th December 2016 and was last reconstituted on 04th August 2023. The composition of the Stakeholders Relationship Committee as on 31st March 2023 is as under:

SR. NO	NAME OF DIRECTOR	DESIGNATION	CATEGORY
1	Mrs. Neela Marathe	Chairperson cum Member	Director (Non-Executive)
2	Mr. Sanjay Marathe	Member	Managing Director (Executive)
3	Mr. Bhanubhai Patel	Member	Independent Director (Non-Executive)

The Stakeholders Relationship Committee held one meeting during the FY 2022-23 on 12th November 2022. The details of the attendance of the members of the committee are as under:

Name of Director	Stakeholders Relationship Committee Meetings during 2022-23	
	12 th November 2022	% of attendance
Mrs. Neela Marathe	Yes	100
Mr. Sanjay Marathe	Yes	100
Mr. Bhanubhai Patel	Yes	100

Mrs. Neela Marathe is the Chairperson of the Stakeholders Relationship Committee and she was present in the last Annual General Meeting held on 23rd September 2022. The Company Secretary acts as the Secretary to the Committee.

NO. OF COMPLAINTS:

The Company and / or its RTA have not received the complaints from SEBI / Stock Exchanges or directly from the shareholders.

NAME AND DESIGNATION OF THE COMPLIANCE OFFICER:

Dipika Rajpal is the Company Secretary and Compliance Officer of the Company and the person responsible for resolution of Investor Complaints.

10. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The terms of reference of CSR Committee includes framing the CSR Policy and reviewing it from time to time to make necessary amendments so as to indicate the activities to be undertaken by the Company as specified in schedule VII of the Act and Rules made thereunder and to provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

During the year under review, CSR Committee recommended and the Board approved the CSR Expenditure to be incurred by the Company. The CSR Policy of the Company is available on the website of the Company at www.chemcrux.com. The details with regard to CSR, Policy, Projects, amount spent on CSR, etc. are provided in the Directors Report in [Annexure V](#) forming part of the Board Report.

The CSR Committee formulates and recommends to the Board, an annual action plan in pursuance of CSR policy which include the following activities to be carried out for implementing in the financial year:

- the list of CSR projects or programs that are approved to be undertaken in areas or subjects as specified in the Act and rules made thereunder;
- the manner of execution of such projects or programs as specified in the Act and rules made thereunder;
- the modalities of utilisation of funds and implementation schedules for the projects or programs;
- monitoring and reporting mechanism for the projects or programs; and
- details of need and impact assessment, if any, for the projects undertaken by the company

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

The CSR Policy adopted by the Board of Directors has been placed on the website of the company at www.chemcrux.com under Investor info tab.

CONSTITUTION:

The CSR Committee was constituted by the Board of Directors at its meeting held on 17th August 2019 and was last reconstituted on 04th August 2023. The composition of the CSR as on 31st March 2023 is as under:

SR. NO	NAME OF DIRECTOR	DESIGNATION	CATEGORY
1	Mr. Sanjay Marathe	Member-Chairperson	Managing Director (Executive)
2	Mrs. Neela Marathe	Member	Director (Non-Executive)
3	Mr. Mukund Bakshi	Member	Independent Director (Non-Executive)

The CSR Committee held one meeting during the FY 2022-23 on 20th May 2022. The details of the attendance of the members of the committee are as under:

Name of Director	Corporate Social Responsibility Committee Meeting during 2022-23	
	20th May 2022	% of attendance
Mr. Sanjay Marathe	Yes	100
Mr. Mukund Bakshi	Yes	100
Mrs. Neela Marathe	Yes	100

The Company Secretary acts as the Secretary to the committee.

11. MEETING OF INDEPENDENT DIRECTORS:

The Company has complied with the definition of Independence as per Listing Regulations and according to the provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013 and regulation 25(8) of SEBI (LODR) Regulations 2015.

TRAINING OF INDEPENDENT DIRECTORS:

Whenever new Non-Executive and Independent Director/s are appointed in the Board, they are introduced to our Company's culture and they are also introduced to Company's organization structure, business, constitution, board procedures, major risks and management strategy. The appointment letters & terms and conditions for appointment of Independent Directors have been placed on the Company's website at www.chemcrux.com under Investor info tab.

PERFORMANCE EVALUATION OF NON-EXECUTIVE AND INDEPENDENT DIRECTORS:

The Board has evaluated the performance of Non-executive and Independent Directors for the financial year ended 31st March 2023. All the Non-executive and Independent Directors are eminent personalities

having wide experience in the field of business, industry, finance and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

A meeting of the Independent Directors was held on 13th February 2023 during the financial year 2022-23 without the attendance of Non-Independent Directors and members of Management for:

- i. Reviewing the performance of Non-Independent Directors and the Board as a whole;
- ii. Reviewing the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. Assessing the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to perform their duties effectively and reasonably.

All the Independent Directors except Mr. Mukund Bakshi attended the meeting.

12. GENERAL BODY MEETINGS:

ANNUAL GENERAL MEETING:

Year	Date	Venue	Time	Special Resolution(s)
2019-20	17 th August 2020	AGM held Through Video Conference Hence Deemed Venue is Registered office of the Company: ChemcruX Enterprises Limited, 330, Trivia Complex, Natubhai Circle, Racecourse Road, Vadodara- 390007	02:00 P.M.	1. Approval of payment of remuneration to Mr. Girishkumar Shah 2. Approval of payment of remuneration to Mr. Sanjay Marathe All special resolutions passed with requisite majority.
2020-21	24 th August 2021	AGM held Through Video Conference Hence Deemed Venue is Registered office of the Company: ChemcruX Enterprises Limited, 330, Trivia Complex, Natubhai Circle, Racecourse Road, Vadodara- 390007	02:00 P.M.	1. Re-appointment of Mr. Shailesh Patel as Independent Director for 2 nd Term 2. Re-appointment of Mr. Bhanubhai Patel as Independent Director for 2 nd Term 3. Issue and Allotment of Bonus Shares 4. Proposal of formation of other entity in which directors are interested in granting loan and making investments All special resolutions passed with requisite majority.
2021-22	23 rd Septemb er 2022	AGM held Through Video Conference Hence Deemed Venue is Registered office of the Company: ChemcruX Enterprises Limited, 330, Trivia Complex, Natubhai Circle, Racecourse Road, Vadodara- 390007	02:00 P.M.	1. Regularisation of Additional Director, Mr. Mukund Bakshi (DIN: 00066993) by appointing him as an Independent Director for a term of 5 years. The special resolution passed with requisite majority.

No Extra-Ordinary General Meeting was held during the financial year 2022-23.

POSTAL BALLOT:

No resolution was passed through Postal during the financial year 2022-23.

During the year the Company migrated to Main Board of BSE Limited w.e.f. 05th May 2022 (The resolution for migration was passed through postal ballot during FY 2021-22).

13. MEANS OF COMMUNICATIONS:

- The quarterly, half yearly and the annual audited results are disseminated to BSE Limited, where the shares of the Company are listed and on the website of the Company. The Company generally publishes the extract of results in Financial Express (English & Gujarati) newspapers.
- The Company discloses to the stock exchange regarding information required to be disclosed under regulation 30 read with Part A of Schedule III of the Listing Regulations, including material information which have a bearing on the performance / operations of the Company.
- All information is filed electronically on BSE's online portal and BSE Listing Centre.
- The annual report of the Company, quarterly, half-yearly and the annual financial statements of the Company are also placed on the Company's website at www.chemcrux.com and can be downloaded.
- The shareholders can visit the Company's website for financial information, shareholding information, all kinds of policies of the Company, annual reports of the previous Financial Years, etc.

14. GENERAL SHAREHOLDER INFORMATION:

(a)	27 th AGM Date Time Venue	Tuesday, 12 th September, 2023 02:00 P.M. Chemcrux Enterprises Limited, 330, Trivia Complex, Natubhai Circle, Racecourse Road, Vadodara- 390007 to be held through video conferencing/other audio-visual means
(b)	Tentative Financial calendar for FY 2023-24	April 2023 to March 2024
		1. First Quarter 2023 Results – on or before 14 th August 2023
		2. Second Quarter/ Half yearly Results 2023 – on or before 14 th November 2023
		3. Third Quarter 2023 Results – on or before 14 th February, 2023
4. Audited Results for the Fourth Quarter/ Year ending 31 st March 2024 - on or before 30 th May 2024.		
(c)	Date of Book closure	06 th September 2023 to 12 th September 2023 (both days inclusive)
(d)	Dividend Payment date	Final dividend, if approved by the shareholders in the 27 th AGM will be paid within statutory time limit of 30 days from the date of Annual General Meeting i.e., on or before 12 th October 2023, at the rate of 20% per equity share (Rs. 2/- per share) having face value of Rs. 10/- each.
(e)	Listing on Stock Exchange	BSE Limited. Add.: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 The Company has paid Listing Fees for the period 1 st April, 2023 to 31 st March 2024 to BSE Limited within the specified timeline.
(f)	i. Stock Code	540395
	ii. International Securities Identification No. (ISIN)	INE298W01016
(g)	Market price Data	The Monthly High / Low market price of the shares during the year 2022-23 at the BSE Limited vis-à-vis Stock Performance in comparison to Broad-based indices BSE Sensex

		Month	Monthly High (Rs.)	Monthly Low (Rs.)	Sensex High	Sensex Low
		Apr 2022	185.50	153.00	60845.10	56009.07
		May 2022	216.95	160.00	57184.21	52632.48
		June 2022	299.00	161.05	56432.65	50921.22
		July 2022	280.00	253.00	57619.27	52094.25
		Aug 2022	501.10	275.00	60411.20	57367.47
		Sep 2022	496.00	390.00	60676.12	56147.23
		Oct 2022	445.00	379.45	60786.70	56683.40
		Nov 2022	438.00	361.90	63303.01	60425.47
		Dec 2022	389.70	313.75	63583.07	59754.10
		Jan 2023	379.75	345.05	61343.96	58699.20
		Feb 2023	385.50	272.00	61682.25	58795.97
		Mar 2023	313.00	280.05	60498.48	57084.91
(h)	Performance with Broad Base Indices (BSE Sensex)	Particulars	Chemcrux Enterprises Limited		BSE Sensex	
		As on 01 st April 2022	158.50		59,276.69	
		As on 31 st March 2023	297.05		58,991.52	
		Changes (%)	87.41		(0.48)	
(i)	Registrar and Transfer Agents	Bigshare Services Private Limited (SEBI Registration No.: INR000001385) CIN: U99999MH1994PTC076534 Address: S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai, Maharashtra-400093 Ph. No.: 022 - 40430200 / 62638200 Email: info@bigshareonline.com				
(j)	Share Transfer System	Bigshare Services Private Limited, being the Registrar & Transfer Agent (RTA) handle requests for transfer, transmission, transposition, dematerialization, rematerialization and other investor related services. These activities are handled under the supervision of and co-ordination with the Company Secretary who is also the Compliance Officer under the Listing Regulations. *All the shares of the Company are in demat form.				

14. DISTRIBUTION OF SHAREHOLDINGS AS ON 31ST MARCH 2023:

No. of Equity Shares	Number of Shareholders	Percentage of Total	Share Amount	% of Total	
1	5000	30156	97.39	11993090	8.10
5001	10000	370	1.20	2817210	1.90
10001	20000	234	0.77	3367770	2.27
20001	30000	72	0.23	1902800	1.28
30001	40000	29	0.09	1044470	0.71
40001	50000	16	0.05	754600	0.51
50001	100000	35	0.11	2383270	1.61
100000 and above	51	0.16	123825190	83.62	
TOTAL		30963	100.00	148088400	100

15. DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The Company's equity shares are compulsorily traded in dematerialized form on BSE and 100% of the equity shares are in dematerialized form. ISIN number the Company is INE298W01016. The Company has demat connectivity with National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd. (CDSL).

16. PLANT LOCATIONS:

Location	Address
Gujarat	4712-14, Road South-10, GIDC, Ankleshwar, Bharuch, Bharuch, Gujarat, 393002 (Factory)
Gujarat	307,308 to 311/10, Ankleshwar industrial estate, GIDC, ANKLESHWAR, Bharuch, Gujarat, 393002 (R&D and warehouse)

17. ADDRESS FOR CORRESPONDENCE:

Shareholders correspondence should be addressed to either at Registered Office of the Company or at the address of RTA of the Company - Bigshare Services Private Limited given as above.

18. DISCLOSURES:

RELATED PARTY TRANSACTIONS:

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. The details of the related party transactions are set out in the notes to the financial statements forming part of this Annual Report. Company's Policy on related party transactions is uploaded on the website of the Company: www.chemcrux.com

CODE OF CONDUCT:

The Company has laid down a Code of Conduct for all Board members and Senior Management. The Code of Conduct is available on the website of the Company www.chemcrux.com. All Board Members and the Senior Management have affirmed compliance with the Code of Conduct for the year under review. The declaration of Managing Director is [annexed](#).

WHISTLE BLOWER POLICY/VIGIL MECHANISM:

- The Company has established a Vigil Mechanism / Whistle Blower Policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct. The details of establishment of such mechanism have been posted by the Company on its website. During the year under review, none of the employee was denied access to the Audit Committee.
- There was no non-compliance by the Company during the last three financial years and hence no penalties, strictures were imposed on the Company by stock exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three financial years.

19. MANAGEMENT:

A. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report is set out in a separate section as [Annexure II](#) included in the Annual Report and forms a part of this Report.

B. DISCLOSURE OF MATERIAL FINANCIAL AND COMMERCIAL TRANSACTIONS:

As per the disclosures received from all the Directors and the Senior Management, no material financial and commercial transactions that may have a potential conflict with the interest of the Company at large were reported to the Company during the year under review.

20. REASON FOR RESIGNATION OF INDEPENDENT DIRECTORS:

During the year under review, no Independent Director has resigned from the Company.

21. CREDIT RATINGS:

During the year Company has not obtained any credit rating.

22. NON-DISQUALIFICATION OF DIRECTORS:

The [certificate](#) confirming none of Directors is disqualified, is attached to Corporate Governance Report. None of the directors are debarred from being appointed as directors under applicable laws for the time being in force.

23. FEES PAID TO THE STATUTORY AUDITORS:

During the financial year 2022-23, the Statutory Auditors of the Company were paid fees as under:

- (a) For Statutory Audit amounting to Rs. 1 Lakh.
- (b) For Other Services amounting to Rs. 0.5 Lakh.

The same is in line the Audit Committee approval.

24. DISCLOSURE REGARDING RE-APPOINTMENT OF DIRECTOR:

The particulars about the brief resume and other information of the Directors seeking re-appointment as required to be disclosed under this section as per regulation 36 (3) of the Listing Regulations and Secretarial Standard 2 on general meetings are provided as an [Annexure A](#) to the notice convening the 27th Annual General Meeting.

25. COMPLIANCE BY THE COMPANY:

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations and guidelines of SEBI. Further, during last three years, no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets.

26. CEO & CFO CERTIFICATION:

The requisite [certification](#) from the CEO (Managing Director) and the Chief Financial Officer required to be given under regulation 17(8) read with Part B of Schedule II of the Listing Regulations forms part of this Report.

27. TRANSFER OF UNCLAIMED / UNPAID DIVIDEND AMOUNT AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF"):

Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit Transfer and Refund) Rules, 2016 ("the Rules"), mandates that companies have to transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further, the rules mandate that the shares on which dividend has not been paid or claimed for seven consecutive years or more be transferred to the IEPF. The Company confirms that there are no cases of unclaimed dividend with respect to past dividends and hence no such amount was required to be transferred to IEPF account during the F.Y 2022- 23.

28. RECOMMENDATION OF THE COMMITTEES:

Recommendations of the Committees are submitted to the Board for approval and the Board has accepted all the recommendations during the F.Y 2022-23.

29. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The Company has not issued any GDRs/ADRs, warrants or any convertible instruments.

30. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT:

Name of the Company in which directors are interested	Loan Amount (in Lakhs) during the FY 2022-23
Kalichem Private Limited (Joint Venture Company)	Rs. 155 Lakhs

31. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE:

The [Auditors' Certificate on Corporate Governance](#) is attached to corporate governance report for the FY 2022-23.

32. DISCLOSURE ON COMPLIANCE:

Company has complied with the requirements of the Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has not adopted discretionary requirements as specified in Part E of schedule II.

33. NON-COMPLIANCE OF REGULATIONS RELATING TO CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, IF ANY:

Company is compliant with Listing Regulations and there are no non-compliances.

34. DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTION THAT MAY HAVE POTENTIAL CONFLICT WITH THE INTEREST OF THE COMPANY AT LARGE:

None of the transactions with any of the related parties were in conflict with the interest of the Company

35. SENIOR MANAGEMENT:

There were no changes in the senior management of the Company during the year. Mr. Krutarth Parikh (CFO), Mr. Vipul Sanghvi (Factory Manager) & Mrs. Dipika Rajpal (Company Secretary) are included in Senior Management.

36. AGREEMENTS ENTERED REQUIRING DISCLOSURE UNDER CLAUSE 5A TO PARA A OF PART A OF SCHEDULE III OF SEBI (LODR) REGULATIONS, 2015:

No such agreement entered during the FY 2022-23.

37. POLICY FOR DETERMINING MATERIAL SUBSIDIARIES:

Not Applicable

38. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated 15th November, 2019 is not applicable.

39. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Number of complaints filed during the financial year	Nil
Number of complaints disposed off during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

For and on behalf of the Board of Directors
CHEMCRUX ENTERPRISES LIMITED
Sd/-
GIRISHKUMAR SHAH
CHAIRMAN
(DIN: 00469291)

Place: Vadodara
Date: 04th August 2023

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LODR) REGULATIONS 2015

To,
The Board of Directors,
CHEMCRUX ENTERPRISES LIMITED
330, TRIVIA Complex, Natubhai Circle,
Racecourse Vadodara-390 007

Subject: Submission of Compliance Certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sirs,

We, Krutarth Parikh, Chief Financial Officer of the Company and Sanjay Y. Marathe, Managing Director of the Company jointly and severally declare and certify for the Financial Results for the year ended 31st March 2023 as under:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- [1] these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - [2] these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee
- (1) There are no significant changes in internal control over financial reporting during the year;
 - (2) There are no significant changes in accounting policies during the year except mandated due to conversions from normal Accounting Standards to Indian Accounting Standards (Ind-As) same have been disclosed in the notes to the financial statements.
 - (3) there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

FOR CHEMCRUX ENTERPRISES LIMITED

Sd/-
Krutarth Parikh (Chief Financial Officer)
Date: 20th May 2023
Place: Vadodara

Sd/-
Sanjay Marathe (Managing Director)
DIN: 01316388

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I, Sanjay Marathe, Managing Director of Chemcrux Enterprises Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2023.

I confirm that the Company has in respect of the said financial year, received from the senior management team and the members of the board of the Company a declaration of compliance with the Code of Conduct as applicable to them.

FOR CHEMCRUX ENTERPRISES LIMITED

Sd/-
Sanjay Marathe (Managing Director)
DIN: 01316388

Date: 20th May 2023
Place: Vadodara

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
CHEMCRUX ENTERPRISES LIMITED
330, TRIVIA Complex, Natubhai Circle,
Racecourse,
Vadodara - 390007

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CHEMCRUX ENTERPRISES LIMITED, CIN-L01110GJ1996PLC029329 and having its registered office at 330, Trivia Complex, Natubhai Circle, Race Course, Vadodara 390007. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, any such other Statutory Authority except Mr. N.A.DIN- N.A. who has been debarred/disqualified by N.A. [give name of Statutory Authority and reason].

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Girishkumar Shah	00469291	15/04/1996
2	Sanjay Marathe	01316388	15/04/1996
3	Neela Marathe	00469204	31/12/1999
4	Bhanubhai Patel	00727280	30/09/2016
5	Shailesh Patel	02826895	30/09/2016
6	Mukund Bakshi	00066993	22/12/2021

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

For Kashyap Shah & Co.
Practicing Company Secretaries

(Kashyap Shah)
Proprietor
FCS No. 7662; CP No. 6672
UDIN: F007662E000725588
PR No. 1378/2021
Date : 04.08.2023
Place : Vadodara

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To the Members of CHEMCRUX ENTERPRISES LIMITED

We have examined the compliance of the conditions of Corporate Governance by CHEMCRUX ENTERPRISES LIMITED, CIN-L01110GJ1996PLC029329 and having its registered office at 330, Trivia Complex, Natubhai Circle, Race Course, Vadodara 390007 (hereinafter referred to as the Company), for the financial year ended on March 31, 2023 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations during the financial year 2022-2023.

We state that in respect of investor grievances received during the year ended March 31, 2023, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders Relationship Committee.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

**For Kashyap Shah & Co.
Practising Company Secretaries**

(Kashyap Shah)
Proprietor
FCS No. 7662; CP No. 6672
UDIN: F007662E000725599
PR No. 1378/2021
Date : 04.08.2023
Place : Vadodara

2.2 Annexure II - to the Board's Report 2022-23

Management Discussion and Analysis

1. ECONOMIC OVERVIEW:

GLOBAL

During FY 2022-23, the global economy witnessed unforeseen challenges affecting the global GDP. Global growth slowed down from 3.2 percent in 2022 and 2.7 percent in 2023. It is further expected to come down to 2.4 percent in 2024. Continued surging inflation, Russo-Ukrainian War and the extended effects of COVID-19 pandemic, all weighed heavily on the outlook. There are multiple concerns that continue to create an element of uncertainty about the intensity and speed of recovery. Considering these factors, the overall world economy recorded, significantly lower than the robust growth of 6.1% witnessed in the previous year, according to the International Monetary Fund (IMF). This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic. In response, central banks in many major economies have begun raising interest rates in an effort to bring inflation under control. The sharp increase in borrowing costs is making consumption and investment more expensive. Economic Growth returning to pre-covid era looks tough. The outlook for growth appears less favourable than preceding years.

INDIAN:

With the global markets posing uncertain outlook, the Indian Economy is geared up to relish the fruits of demographic dividend with its vibrant youth population. According to the International Monetary Fund (IMF), India's growth rate would rise from 5.9% in 2023 to 6.3% in 2024. India is anticipated to continue its status as the world's fastest expanding big economy. The IMF expects India's inflation to fall to 4.9% this year and 4.4% the next year. India's GDP growth is likely to continue in FY2024 and will be robust (at 6.3%, as predicted by the World Bank) backed up by advantageous capital investment cycles.

2. CHEMICAL INDUSTRY OVERVIEW:

The global chemicals sector was predicted to grow at a CAGR of 6.2% between 2020 and 2025 before the war between Russia and Ukraine. Because of this, many chemical companies experienced supply chain disturbances, especially ones dependent on imports or exports from Russia or Ukraine. The Indian chemicals industry stood at US\$ 178 billion in 2019 and is expected to reach US\$ 304 billion by 2025 registering a CAGR of 9.3%. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US\$ 383 billion to India's GDP by 2030. India ranks 6th largest sales of chemicals globally and contributes 3% to the global chemical industry.

2.1 SPECIALTY CHEMICALS INDUSTRY:

Specialty chemicals are low-volume, high-value products used in a large number of consumer-facing sectors. The global specialty chemicals market size was valued at USD616 billion in 2022 and is expected to grow at 5.1% CAGR over 2023 to 2030. Rise in demand from end-user industries is driving development of different segments in India's specialty chemicals market. The specialty chemicals constitute 22% of the total chemicals and petrochemicals market in India. A significant opportunity for the Indian chemical industry is the increasing demand for specialty chemicals globally. Specialty chemicals account for over 50% of chemical exports, dominated by agrochemicals, dyes and pigments, etc. According to the CRISIL report, the specialty chemicals market in India would grow faster than China, increasing its market share to 6% by 2026 from 3-4% in fiscal 2021. India's specialty chemicals companies are expanding their capacities to cater to rising demand from domestic and overseas.

Since China constitutes 20% of the global Speciality chemical industry (\$800 billion), even a 5% shift in market share from China to India can translate into an \$8-billion opportunity for the Indian Speciality chemical companies. China contributes to 18 per cent of specialty chemical exports globally, which is nearly quadruple the value of Indian exports. However, as India presents itself as a viable alternative market for specialty chemical companies, there is a potential to reduce the disparity in China's and India's export capacities.

2.2 ACTIVE PHARMA INGREDIENTS (API) & INTERMEDIATES INDUSTRY:

GLOBAL:

The global active pharmaceutical ingredients market size was valued at USD 222.4 billion in 2022 and is expected to expand at a compound annual growth rate (CAGR) of 5.90% from 2023 to 2030. The growth can

be attributed to the advancements in active pharmaceutical ingredient (API) manufacturing and the rising prevalence of chronic diseases, such as cardiovascular diseases and cancer. Favorable government policies for API production, along with changes in geopolitical situations, are boosting market growth. The API market is undergoing immense changes due to supply chain disruption by COVID-19. Countries such as India are being preferred over China for the export of API owing to geopolitical situations and the demand to reduce dependence on China for API products. Furthermore, governments of many countries have formulated plans and granted incentives to promote the production of API. The Chemical Intermediates Market size is forecast to reach around \$132.1 billion by 2027, after growing at a CAGR of 8.2% during 2022-2027.

DOMESTIC:

As the world was grappling with the pandemic, many countries including China closed down borders and the supply chain stagnated. It was now imperative for the world to have an alternative source of bulk drugs. India, which was already a leader in the formulations space, was well-placed to use this opportunity and emerge as an alternative source. 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.

India is the 3rd largest producer of API accounting for an 8 per cent share of the Global API Industry. 500+ different APIs are manufactured in India, and it contributes 57 per cent of APIs to prequalified list of the WHO. The Indian API market is anticipated to increase at a CAGR of 13.7 per cent during the first four years – about 8 per cent higher than the generic API industry. The Indian API space has become lucrative for several investors and venture capitalists. India's robust domestic market, advanced chemical industry, skilled workforce, stringent quality and manufacturing standards, and low costs (about 40 per cent less than that in the West) for setting up and operating a modern plant give an added advantage.

The increasing demand for food coupled with the surging population further drive the growth of the agriculture sector, which in turn propel the market growth in the coming years. The demand for agrochemical products is projected to be driven by these factors, thereby positively impacting the demand of the chemical intermediates market. Moreover, the development in the end-use industries such as petrochemicals, paints, building and construction, and pharmaceutical are driving the Chemical Intermediate Market growth.

3. OPPORTUNITIES & THREATS:

OPPORTUNITIES:

Increasing chemical demand: The demand for chemicals is and will continue to rise as the global population rises. Chemicals are used in just about every facet of present-day life, from construction to transportation to healthcare, making this industry an indispensable portion of the worldwide economy. Your Company will try to cater the future needs.

Technological changes: The chemical industry is continually developing and new technologies are being developed to increase efficiency, reduce waste and improve safety. Innovations such as green chemistry, process escalation and 3D printing are changing how chemicals are produced, promoted and consumed. Your Company has in place greener technologies like CNG fired boilers, economizers, etc. Further, your Company is constantly looking for greener technologies & minimizing effluent load.

Sustainability: With increasing pressure to reduce the environmental impact of industrial processes, there is an emphasis on sustainable practices in the chemical industry. This grants an opportunity for companies to invest in developing strategies and implement more effective waste management and recycling practices. Your Company has Corporate Social Responsibility (CSR)-Bronze medal by EcoVadis. The Company is compliant with ISO 9001:2015, ISO 14001:2015 and 50001:2018 and aims for continual improvement in energy performance, including energy efficiency, use and consumption.

Your Company continues to work on economies of scale. The company falls under MSME sector due to which it enjoys various incentives. Company's highly motivated manpower helps in continual process improvements & cost reductions. Our focus is on quality of product, long-term relationships, stable and sustainable operations and best practices for suppliers and customers with end applications in APIs, dyes and pigments.

Threats:

Increasing energy costs and raw material prices volatility due to changing global scenario, worsened by the unending Russia-Ukraine conflict

4. RISKS AND CONCERNS:

Global Concerns: Continued effects of Russia-Ukraine war, has disrupted both supply chains and global growth. The resulting uncertainty in the global economy and capital markets leads to decline in demand. Your Company may be affected to that extent.

Regulatory and environmental risks: 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 prioritized. 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 & domestic 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 bottom line.

Your Company has been continuously striving to keep its costs to minimum possible to aggressively compete with Indian & global competitors.

Human Capital Risk: Acquiring & retaining right human capital is important to achieve the desired results. Your Company is emphasizing and constantly working towards the training and development of human resources of the Company in order to provide employees with ample growth and development opportunities.

5. SEGMENT WISE PERFORMANCE:

Your Company operates in Single segment of manufacturing of Specialty Chemicals which includes intermediates for bulk Drugs (API), Dyes & pigment industries segment. Your Company also has been optimally utilising capacities for manufacturing intermediates for bulk Drugs (API), Dyes & pigment industries.

6. OUTLOOK:

The biggest risk to the outlook is persistent inflation and continued increase in interest rates that will prolong and deepen the coming recession. Additional risks include an escalation in the war in Ukraine, the potential for conflicts to arise elsewhere in the world, financial instability and returning supply-chain disruptions. The chemical industry is resilient enough to REBOOT, RESET, RETHINK and REBOUND back in a more resolute way to surprise the stakeholders. Chemcrux is endeavoring to get the benefits from Make in India and increased adoption of China+ 1 Policy. The Capacity expansion of the Company is underway in phased manner and an attempt is being made to complete the same by the end of FY 2023-24. With requisite Environmental clearance, your Company is working for expansion as scheduled. Through a combination of efficient planning, expanding production and the relentless efforts we shall definitely do our best to overcome all odds and deliver the satisfactory year ahead. JV Company- Kalichem Private Limited Project is under construction and plant is expected to be in operation by end of FY 2023-24.

7. ENVIRONMENT HEALTH & SAFETY:

Your Company has appropriate Waste Management Systems for Air, liquid & solids. In-house team ensuring pollution control & energy conservation, treating effluents and Safe disposal of waste. 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.

8. INTERNAL CONTROL SYSTEM:

Your Company has sound and adequate internal control systems commensurate with its size and nature of business. 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.

9. FINANCIAL & OPERATIONAL PERFORMANCE:

The financial performance has been maintained on the same lines as of previous year. Financial performance is summarized are as under:

Particulars	(In Lacs, except EPS)	
	31st March 2022	31st March 2023
Revenue from Operations	9527.06	9515.24
Other Income	99.83	105.21
Total Revenue	9626.89	9620.45
Profit before Tax & Extra Ordinary Items	1994.80	1964.79
Profit Before Tax	1955.21	1964.94
Profit after Tax	1485.87	1435.81
Earnings per Share	10.03	9.7

RATIOS: The reasons for variation are provided where variance is more than 25% compared to previous financial year:

Ratio	Numerator	Denominator	Mar-23	Mar-22	% Variance	Reason for variance
(a) Current ratio	Total Current Assets	Total Current Liabilities	3.36	2.10	60.58%	The increase in the ratio is due to an increase in current investments.
(b) Debt-equity ratio	Short Term Borrowing + Long Term Borrowing	Total Equity	0.202	0.147	37.83%	The increase in the ratio is due to an increase in long term borrowings.
(c) Debt service coverage ratio	Profit Before Interest and Tax	Total Debts Service (Interest + Finance Lease Payment + Principal Repayment)	1.13	1.79	-36.96%	The decrease in the ratio is due to an increase in the borrowing cost.
(d) Return on equity ratio	Net Profit after Tax	Total Equity	0.24	0.31	-23.84%	-
(e) Inventory turnover ratio	Net Sales	Average Inventory	7.42	10.06	-26.28%	The decrease in the ratio is due to an increase in average inventories.
(f) Trade receivables turnover ratio	Net Sales	Average Trade Receivables	5.89	8.59	-31.42%	The decrease in the ratio is due to an increase in average trade receivables.
(g) Trade payables turnover ratio	Net Purchases	Average Trade Payable	4.61	7.62	-39.55%	The decrease in the ratio is due to an increase in average trade payable.
(h) Net Working capital turnover ratio	Net Sales	Working Capital	4.12	5.59	-26.39%	The decrease in the ratio is due to an increase in current assets.
(i) Net profit ratio	Net Profit	Sales	0.15	0.16	-3.25%	-
(j) Return on capital employed	Earning Before Interest and Tax	Capital Employed	0.22	0.26	-18.62%	-
(k) Return on investment	Profit After Tax	Total Assets	0.15	0.18	-17.09%	-

Value in our industry is all about creating and delivering quality, while keeping costs in check and almost every value focused, Company is working towards that goal. We are working not only towards top line growth, but also for bottom line growth.

10. 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 end of FY 2022-23, the total number of the employees of Company is 94. With a strong commitment to safety and wellbeing, Chemcrux adheres to ethical principles and standards, ensuring a positive work environment and sustainable growth.

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

**Place: Vadodara
Date: 04th August 2023**

**Sd/-
GIRISHKUMAR SHAH
CHAIRMAN
(DIN: 00469291)**

2.3 Annexure- III to the Board's Report 2022-23

Secretarial Audit Report

(For the Financial year ended on 31st March, 2023)

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

To,
The Members,
CHEMCRUX ENTERPRISES LIMITED
330, TRIVIA Complex, Natubhai Circle,
Racecourse,
Vadodara - 390007

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by CHEMCRUX ENTERPRISES LIMITED, CIN-L01110GJ1996PLC029329 (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, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, 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, 2023, 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 and Sweat Equity) Regulations, 2021. - Not Applicable to the Company during the Audit Period.
 - E. The Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021. - Not Applicable to the Company during the Audit Period.
 - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. - Not Applicable to the Company 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) The mandatory Secretarial Standards (SS-1 and SS-2) 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.

We further report that during the audit period, the equity shares of the Company listed under BSE SME Platform were migrated & admitted to dealings on the Main board Platform of BSE Limited with effect from May 05, 2022.

For Kashyap Shah & Co.
Practising Company Secretaries

Place: Vadodara
Date: 02.08.2023

(Kashyap Shah)
Proprietor
FCS No. 7662, CP No. 6672
UDIN:- F007662E000725533
PR NO. 1378/2021

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 - 390007

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

(Kashyap Shah)
Proprietor
FCS No. 7662. CP No. 6672

Place: Vadodara
Date:02.08.2023

2.4 Annexure- IV to the Board's Report 2022-23

Form AOC-1

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

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

Part A: Subsidiaries

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

As on March 31, 2023 Company had no Subsidiary hence the disclosure in respect of the table below is not applicable.

1. Name of the subsidiary: - NA
2. The date since when subsidiary was acquired: -NA
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: - NA
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries: -NA
5. Share capital: -NA
6. Reserves and surplus: -NA
7. Total assets: -NA
8. Total Liabilities: -NA
9. Investments: -NA
10. Turnover: -NA
11. Profit before taxation: -NA
12. Provision for taxation: -NA
13. Profit after taxation: -NA
14. Proposed Dividend: -NA
15. Extent of shareholding (in percentage): -NA

Notes:

1. Name of subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year. NA

Part B Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

Name of Associates or Joint Ventures: KALICHEM PRIVATE LIMITED

1. Latest audited Balance Sheet Date: 31st March 2023
2. Date on which the Associate or Joint Venture was associated or acquired: 22nd December 2021
3. Shares of Associate or Joint Ventures held by the company on the year end:
 - a. No. of Shares: 5000 shares (50%)
 - b. Amount of Investment in Associates or Joint Venture: Rs. 50,000
 - c. Extent of Holding (in percentage): 50%
4. Description of how there is significant influence: 50% Holding of Chemcrux Enterprises Limited
5. Reason why the associate/joint venture is not consolidated: NA
6. Net worth attributable to shareholding as per latest audited Balance Sheet: Rs. 1 Lakh.
7. Profit or (Loss) for the year
 - a. Considered in Consolidation -N.A.
 - b. Not Considered in Consolidation -N.A.

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

**Place: Vadodara
Date: 04th August 2023**

**Sd/-
GIRISHKUMAR SHAH
CHAIRMAN
(DIN: 00469291)**

2.5 Annexure-V to the Board's Report 2022-23

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2022-23

- Brief outline on CSR Policy of the Company. The Company's CSR Policy containing inter-alia 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.
- Composition of CSR Committee as on 31st March 2023:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sanjay Marathe	Chairman (Managing Director)	1	1
2	Mrs. Neela Marathe	Member (Non-Executive Director)	1	1
3	Mr. Mukund Bakshi	Member (Independent Director)	1	1

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.: www.chemcrux.com/investor-info.php under investors info/Corporate Policy.
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): N.A.
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NA
- Average net profit of the company as per section 135(5):. Rs. 15,41,09,947/-
- (a) Two percent of average net profit of the company as per section 135(5): Rs. 30,82,199/-
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: N.A.
(c) Amount required to be set off for the financial year, if any: Nil
(d) Total CSR obligation for the financial year (7a+7b-7c):. Rs. 30,82,199/-
- (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
Rs. 30.93 Lakhs	Amount	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
	Nil	N.A.	N.A.	Nil	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project.		Amount spent for the project (In Rs.)	Mode of implementation-Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Construction of shade in village for Prathampura Gram Panchayat	Rural development	Yes	Gujarat	Vadodara	1,08,399/-	Yes	-	-
2.	Contributed in development of Science college facility	Promoting education	Yes	Gujarat	Ankleshwar	11,00,000/-	No	Ankleshwar Environmental Preservation Society	CSR00 014481
3.	Sponsoring Education for Children of S R Rotary institute of chemical technology	Promoting education	Yes	Gujarat	Ankleshwar	6,00,000/-	No	Ankleshwar Rotary Education Society	CSR00 002365
4	Given 10 Computers in Computer Lab of M S University	Promoting education	Yes	Gujarat	Vadodara	6,15,000/-	Yes	-	-
5	Physiotherapy Lab in Muni Seva Ashram	Promoting health care including preventive health care	Yes	Gujarat	Vadodara	6,70,000/-	No	Muni Seva Ashram	CSR000 04688
Total						30,93,399/-			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: N.A.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 30,93,399/-

(g) Excess amount for set off, if any: Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: N.A.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

Sd/-
Girishkumar Shah
Whole Time Director
(DIN: 00469291)

Sd/-
Sanjay Marathe
MD & Chairman of CSR Committee
(DIN: 01316388)



CHEMCRUX ENTERPRISES LIMITED

*Glimpse of
Corporate Social Responsibility
for the financial Year 2022-23*



- 1. Health Care
- 2. Education
- 3. Rural Development



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 **CHEMCRIX ENTERPRISES LIMITED (“the Company”)** which comprise the Balance sheet as at **31st March, 2023**, the Statement of Profit & Loss (Including the Statement of Other Comprehensive Income), the Statement of Cash Flow and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “Standalone Financial Statements”)

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance, Shareholder's Information and Other Information included in the Company's Annual Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon.

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

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

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

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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind As and other accounting principles generally accepted in India, 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

- (a)** As required by the Companies (Auditors Report) Order, 2020 ("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.
- (b)** 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 including Other Comprehensive Income, statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.
 - e) On the basis of written representations received from the directors, as on 31st March, 2023, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2023 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) With respect to the matter to be included in the Auditors Report u/s. 197(16) of the Act, in our opinion and according to information and explanations given to us, the remuneration paid by company to its directors is in accordance with the provisions of Section 197 of the Act read with Schedule V in terms of requisite approvals obtained as mandated therein 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) There are no pending litigations.
- (ii) There are no long-term contracts for which there were material foreseeable losses for which provision is required
- (iii) There were no amounts which were required to be transferred to the Investor Protection Fund by the Company.
- (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Company and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

Date: 20.05.2023
Place: Vadodara

Sd/-
CA ROHIT SHAH
PARTNER
(MRN : 034139)
UDIN:23034139BGVPQR7670

Appendix A to Independent Auditors' 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.

“ANNEXURE – A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirement’s’ section of our report of even date for the year ended 31st March 2023 of Chemcrux Enterprises Limited)

- (i) (a) (A) The Company has maintained proper records of Property Plant & Equipments purchases. However, as informed to us the Company is in the process of updating its old records and Property Plant & Equipments Register showing full particulars including quantitative details and the situation of Property Plant & Equipments.
- (B) The Company has maintained proper records showing full particulars of the Intangible Assets.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which the Property, Plant and Equipment are verified in phased manner over a period of time. In accordance with its program, certain Property, Plant and Equipment 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, we report that the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or Intangible Assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The physical verification of inventories has been conducted at reasonable intervals by the management of the Company and in our opinion, and to the best of our knowledge and belief, the coverage and procedure for such verification by the management is appropriate. On the basis of our examination of the records of physical verification of inventory, we are of the opinion that the no discrepancies of 10% or more in aggregate for each class of inventory were noticed. 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.
- (b) The Company has not been obtained sanction of working capital limits in excess of Rs. 5 Crores, in aggregate, from banks or financial institutions on the basis of security of current assets, at any point of time of the year. Hence, no comments are required on Paragraph 3 (ii)(b) of the Order.
- (iii) During the year, the Company has made investments in and granted an unsecured loan to a Joint Venture Company.
- (a) During the year, the Company has provided an unsecured loan to a Joint Venture Company. The details of the same are as under:
- Aggregate amount of loan granted during the year – Rs. 1,55,00,000
Balance outstanding as at the Balance Sheet Date – Rs. 2,80,00,000
- Apart from the above the Company has not granted any loans or provided advances in the nature of loans, or stood guarantee, or provided security, to any other entity.
- (b) The Investments made in Joint Venture company and the grant of loan mentioned above are not prejudicial to the interests of the Company.
- (c) In respect of the loan granted, the schedule of repayment of principal and payment of interest has been stipulated. No repayments or receipts were due during the year.
- (d) No amount was overdue against the loan granted.

- (e) The loan granted had not fallen due during the year. Hence, there are no comments required regarding renewal or extension of the same.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying the period of repayment.
- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has not accepted any deposits or amounts deemed to be 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, Employee's State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material statutory dues applicable to it to the appropriate authorities.
- 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 31st March, 2023 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 Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material statutory dues applicable to it which have not been deposited on account of any dispute.
- (viii) There are no transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence no further comments are required under Para 3(viii) of the Order.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence no further comments are required under Para 3(ix)(a) of the Order.
- (b) The Company has not been declared Willful Defaulter by and bank or financial institution or another lender.
- (c) The Term Loans raised during the year were applied for the purpose for which they were obtained.
- (d) The funds raised on short term basis have not been utilized for long-term purposes.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its Joint Venture. The Company does not have any subsidiaries or associates.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its Joint Venture. The Company does not have any subsidiaries or associates.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

- (xi) (a) There has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.
- (b) No report under Sub-section (12) of S. 143 of the Act has been filed by the Auditors in Form ADT-4 as prescribed under Rule 12 of the Companies (Audit and Auditors) Rule, 2014 with the Central Government.
- (c) As per the information and explanation given to us, no whistle-blower complaints, were received by the Company during the year.
- (xii) The Company is not a “Nidhi” Company. Hence, Para (xi) 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) (a) The Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (b) The Reports of the Internal Auditor for the period under Audit were considered by the Statutory Auditors
- (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) (a) As per information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance Activities during the year.
- (c) The Company or any member Company of the Group is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, no comments are required on Paragraph (xvi) (c) & (d) of the Order.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the Statutory Auditor during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has spent the amount required to meet its Corporate Social Responsibility (CSR) obligations as per S. 135 of the Act. The Company does not have any ongoing CSR Projects. Hence no further comments are required under Para (xx) of the Order.

(xxi) These being standalone financial statements, no comments are required under Paragraph (xxi) of the Order since the same is related to Consolidate Financial Statements.

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

Date: 20.05.2023
Place: Vadodara

Sd/-
CA ROHIT SHAH
PARTNER
(M R N : 034139)
UDIN: 23034139BGVPQR7670

“Annexure – B” to the Independent Auditor’s Report

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

We have audited the internal financial controls over financial reporting of **CHEMCRUX ENTERPRISES LIMITED** (“the Company”), **as on 31st March, 2023** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or

fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Date: 20.05.2023
Place: Vadodara

FOR, R J SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
(F.R.N. 109752W)
Sd/-
CA ROHIT SHAH
PARTNER
(MRN: 034139)
UDIN: 23034139BGVPQR7670

CHEMCRUX ENTERPRISES LIMITED- STANDALONE BALANCESHEET AS AT 31ST MARCH 2023

(In Lakhs)

	Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
I.	ASSETS				
(1)	Non - current assets				
	(a) Property, Plant and Equipment	4	3,172.52	2,282.33	1,934.79
	(b) Capital Work In Progress	5	30.52	-	32.04
	(c) Investment Property	6	67.78	67.78	67.16
	(d) Right of use assets	7	68.91	81.26	93.60
	(e) Other Intangible assets	8	1.65	0.97	2.20
	(f) Financial assets				
	(i) Investments	9	5.17	5.17	4.67
	(ii) Others	10	443.41	388.26	79.02
	(g) Other non - current assets	11	11.55	8.94	6.85
(2)	Current assets				
	(a) Inventories	12	1,409.07	1,157.17	737.02
	(b) Financial assets				
	(i) Investments	9	1,673.47	703.72	875.30
	(ii) Trade receivables	13	1,343.92	1,887.71	331.32
	(iii) Cash and cash equivalents	14	118.73	1,168.85	260.65
	(iv) Bank balances other than cash and cash equivalents	15	590.68	10.68	10.44
	(v) Others	16	1.31	-	-
	(c) Other current assets	17	748.19	548.59	539.98
	Total Assets		9,686.88	8,311.43	4,975.05
II.	EQUITY AND LIABILITIES				
(1)	Equity				
	(a) Equity Share capital	18	1,480.88	1,480.88	493.63
	(b) Other equity	19	5,159.68	3,987.46	3,582.26
	Liabilities				
(2)	Non - current liabilities				
	(a) Financial liabilities				
	(i) Long Term Borrowings	20	1,025.64	-	47.44
	(ii) Lease Liabilities	21	90.59	101.16	109.33
	(iii) Other Financial Liabilities	22	-	-	-
	(b) Provisions	23	-	-	-
	(c) Deferred Tax Liability (net)	24	180.77	127.91	110.06
(3)	Current liabilities				
	(a) Financial liabilities				
	(i) Short Term Borrowings	25	315.89	801.50	45.34
	(ii) Lease Liabilities	21	10.57	8.17	6.10
	(iii) Trade payables	26			
	a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
	b) Total outstanding dues of creditors others than micro enterprises and small enterprises		803.23	1,159.79	200.20
	(iv) Other financial liabilities	23	0.19	0.02	-
	(b) Provisions	24	-	-	-
	(c) Other current liabilities	27	130.41	151.25	80.70
	(d) Current tax liabilities (net)	28	489.01	493.29	300.00
	Total Equity and Liabilities		9,686.86	8,311.43	4,975.05
	The accompanying notes 1 to 63 are an integral part of the financial statement.				
	As per our report of even date attached.				

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

Sd/-
CA Rohit Shah
Partner
Membership No: 034139

Place: Vadodara
Dated: 20.05.2023

For & on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291
Sd/-
Krutarth Parikh
CFO
Place: Vadodara

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388
Sd/-
Dipika Rajpal
CS
Dated: 20.05.2023

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

(In Lakhs)

	Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
I.	Revenue from operations	29	9,515.24	9,527.06
II.	Other income	30	105.21	99.83
III.	Total Income (I+II)		9,620.45	9,626.89
IV.	Expenses:			
	Cost of materials consumed	31	4,763.42	5,220.18
	Purchase of Traded Goods	32	-	-
	Changes in inventories of finished goods, by-products and work in progress	33	- 464.33	- 433.15
	Employee benefits expense	34	791.33	631.69
	Finance costs	35	81.84	16.73
	Depreciation and amortization expense	4,7,8	203.72	158.81
	Other expenses	36	2,279.68	2,037.82
	Total expenses (IV)		7,655.66	7,632.08
V.	Profit before tax (III-IV)		1,964.79	1,994.81
VI.	Tax expense :			
	Current tax		476.26	491.50
	Deferred tax		52.87	17.85
	Income tax relating to earlier years		- 0.15	- 0.41
			528.98	508.94
VII.	Profit for the year		1,435.81	1,485.87
VIII	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss			
	- Defined Benefit Plan		11.79	- 0.22
	(ii) Income tax relating to items that will not be reclassified to profit or loss		2.97	- 0.06
	(iii) Items that will be reclassified to profit or loss			
	-Fair Value Gain on Investments		31.76	7.33
	(iv) Income tax relating to items that will be reclassified to profit or loss		7.99	1.84
	Total other comprehensive income, net of tax		32.59	5.32
IX.	Total comprehensive income for the year		1,468.40	1,491.20
X.	Earnings per equity share (Nominal value per share Rs. 10/-)			
	- Basic (Rs.)		9.70	10.03
	- Diluted (Rs.)		9.70	10.03
	The accompanying notes 1 to 63 are an integral part of the financial statement.			
As per our report of even date attached.				

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

Sd/-
CA Rohit Shah
Partner
Membership No: 034139

Place: Vadodara
Dated: 20.05.2023

For & on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291
Sd/-
Krutarth Parikh
CFO

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388
Sd/-
Dipika Rajpal
CS

Place: Vadodara
Dated: 20.05.2023

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH, 2023

(In Lakhs)

Sr.	Particulars	Year ended 31st March , 2023	Year ended 31st March , 2022
A.	Cash flow from Operating Activities :		
	<i>Net Profit before Tax & Extra Ordinary Items</i>	1,964.80	1,994.80
	Adjustment for :		
	Depreciation & Write-offs	203.72	158.81
	Loss/(Profit) on Sale of Investments/Assets	(1.68)	(3.91)
	Bad Debts	-	-
	Interest Expense	81.84	16.73
	Operating Profit before Working Capital Changes	2,248.68	2,166.43
	Adjustments for :		
	(Increase)/Decrease in Trade Receivables	543.79	(1,556.39)
	(Increase)/Decrease in Inventories	(251.90)	(420.15)
	(Increase)/Decrease in Loans & Advances	(1.31)	-
	(Increase)/Decrease in other current assets	(199.60)	(8.61)
	Increase/(Decrease) in Trade Payable	(356.56)	959.59
	Increase/(Decrease) in Other Current Liabilities	27.92	281.70
	Increase/(Decrease) in Long term provisions	-	-
	Cash Generated from Operations	2,011.02	1,422.57
	Interest Paid	-	-
	Direct Taxes Paid (Net of Refund)	(528.98)	(508.94)
	Cash Flow before Extra Ordinary Items	1,482.04	913.63
	Prior Period Items (being cash items)	-	-
	Net Cash Flow from Operating Activities	1,482.04	913.63
B.	Cash flow from Investing Activities		
	Purchase of Fixed Assets	(1,116.92)	(460.74)
	Net Proceeds from Sale of Fixed Assets	5.85	3.97
	Dividend Received	-	-
	Investments	(937.16)	175.72
	Net Cash used in Investment Activities	(2,048.23)	(281.05)
C.	Cash Flow from Financing Activities		
	Interest Paid	(81.84)	(16.73)
	(Increase)/Decrease in Other Non current Assets	(57.77)	(311.33)
	Increase/(Decrease) in Short Term Borrowings	(485.61)	756.16
	Increase/(Decrease) in Lease Liabilities	(8.17)	(6.10)
	Increase/(Decrease) in Long Term Borrowings	1,025.64	(47.44)
	Dividend Paid (incl. Tax Thereon)	(296.18)	(98.73)
		-	-
	Net Cash used in Financing Activities	96.08	275.83
D.	Net Increase/(Decrease) in Cash and Cash Equivalents	(470.13)	908.41
	Cash and Cash Equivalents at beginning of the year		
	Balances with Bank	1,160.29	253.96
	Cash on hand	8.55	6.69
	Deposits with Banks as Margin Money	10.68	10.44
	Cash and Cash Equivalents at the end of the year	118.73	1,168.85
	Deposits with maturity less than 12 months including Deposits with Banks as Margin Money	590.67	10.66
	Cash & Bank balances at the end of the year	709.40	1,179.51

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

Sd/-
CA Rohit Shah
Partner
Membership No: 034139

Place: Vadodara
Dated: 20.05.2023

For & on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388

Sd/-
Krutarth Parikh
CFO

Sd/-
Dipika Rajpal
CS

Place: Vadodara
Dated: 20.05.2023

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023:

(a) Equity Share capital

(In Lakhs)

	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the year ended 31st March, 2021	493.63	-	493.63
For the year ended 31st March, 2022	493.63	987.26	1,480.88
For the year ended 31st March, 2023	1,480.88	-	1,480.88

(b) Other Equity

(In Lakhs)

	Reserves and Surplus			Total
	General Reserve	Securities Premium Reserve	Retained Earnings	
Balance as at 1st April, 2021	-	106.88	3,475.38	3,582.26
Profit for the year	-	-	1,485.87	1,485.87
Other Comprehensive Income (net of tax)	-	-	5.32	5.32
Application for issuance of Bonus Shares	-	106.88	880.38	987.26
Dividends paid including dividend tax thereon	-	-	98.73	98.73
Balance as at 31st March, 2022	-	-	3,987.46	3,987.46
Balance as on 1st April, 2022	-	-	3,987.46	3,987.46
Profit for the year	-	-	1,435.81	1,435.81
Other Comprehensive Income (net of tax)	-	-	32.59	32.59
Dividends paid including dividend tax thereon	-	-	296.18	296.18
Balance as at 31st March, 2023	-	-	5,159.68	5,159.68

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

Sd/-
CA Rohit Shah
Partner
Membership No: 034139

Place: Vadodara
Dated: 20.05.2023

For & on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
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Sd/-
Krutarth Parikh
CFO

Sd/-
Dipika Rajpal
CS

Place: Vadodara
Dated: 20.05.2023

NOTES FORMING PART OF THE FINANCIAL STATEMENTS ANNEXED THERETO FOR THE YEAR ENDED 31ST MARCH 2023;

1. General Information of the Company:

Chemcrux Enterprises Limited (“the company”) was incorporated in April 1996 to undertake 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 has successfully migrated to the Main Board of the BSE from 5th May, 2022.

2. Basis of Preparation:

i. Statement of Compliance

These financial statements have been prepared on a going concern basis following the accrual basis of accounting in accordance with the Generally accepted Accounting Principles (GAAP) in India (Indian Accounting Standards referred to as “IndAS”) as specified under the section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and relevant amendment rules issued thereafter.

These financial statements are the Company’s first Ind AS financial statements and are covered by Ind AS 101, First time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS has been carried out from the accounting principles generally accepted in India (“Indian GAAP”) which is considered as the “Previous GAAP” for the purpose of Ind AS 101. Under previous GAAP financial statements were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (“Indian GAAP”) and other relevant provisions of the Act as applicable.

ii. Basis of Measurement

The financial statements have been prepared on a historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS.

iii. Significant accounting judgements, estimates and assumptions

The preparation of the company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

iv. Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

i. Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii. Employee Benefit Plans

The cost of the defined benefit gratuity plan, other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

iv. Property, Plant and Equipment

Useful lives and residual values are determined by the management at the time the asset is acquired and reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

3. Significant Accounting Policies:

3.1 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realised within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is held primarily for the purpose of trading
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3.2 Property, Plant & Equipments

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use but are net of tax credits (GST) availed for the relevant element in the cost. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, Plant and Equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Depreciation on property, plant and equipment has been provided using straight line method using rates determined based on management's assessment of useful economic lives of the asset.

Followings are the estimated useful lives of various category of assets used which are aligned with useful lives defined in schedule II of Companies Act, 2013:

Office Building	30 Years
Factory Building	30 Years
Furniture & Fixture	10 Years
Vehicles	8 Years
Plant & Machinery	15 Years
Office Equipment	5 Years
Computers	3 Years
Pollution Control System	15 Years

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

Derecognition

An item of property, plant and equipment and any significant part initially recognized is de- recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

Capital work-in-progress (CWIP)

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in progress.

Investment property

Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment properties measured initially at cost including related transitions cost and where applicable borrowing cost. Subsequent expenditure is

capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

The company has decided not to charge any depreciation on such properties.

3.3 Intangible assets

Recognition and Measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to and has sufficient resources to complete development and to use or sell the asset.

Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Subsequent Measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for current and comparative periods are as follows:

Software	10 Years
----------	----------

3.4 Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Company in return for payment.

The Company as lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that such options would be exercised.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of profit and loss in the period in which the events or conditions which trigger those payments occur.

In a sale and lease back transaction, the Company measures right-of-use asset arising from the leaseback as the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The gain or loss that the company recognises in the statement of profit and loss is limited to the proportion of the total gain or loss that relates to the rights transferred to the buyer.

The Company as lessor

Operating lease:

Rental income from operating leases is recognised in the statement of profit and loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight-line basis over the lease term.

Finance lease:

When assets are leased out under a finance lease, the present value of minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

3.5 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest

group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.6 Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in respective expense.

Contingent Liabilities and Contingent Assets

Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

3.7 Income Tax

Current Tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in Balance Sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

3.8 Employee Benefits

Short-term Employee Benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans

Defined Contribution Plans:

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employees render the related services.

Defined Benefit Plans:

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme is a defined benefit plan. The Company recognises the defined benefit liability in Balance sheet. The present value of the obligation under such defined benefit plan and the related current

service cost and, where applicable past service cost is determined based on an actuarial valuation done using the Projected Unit Credit Method by an independent actuary, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) is reflected immediately in Other Comprehensive Income in the Statement of Profit and loss. All other expenses related to defined benefit plans are recognised in Statement of Profit and Loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to Statement of Profit and Loss hence it is treated as part of retained earnings in the Statement of Changes in Equity.

3.9 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or Liability
- ▶ The principal or the most advantageous market must be accessible to/ by the Company

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- ▶ Debt instruments at amortised cost
- ▶ Debt instruments at fair value through other comprehensive income (FVTOCI)
- ▶ Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- ▶ Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- ▶ The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ▶ Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation and losses arising from impairment are recognised in the Statement of Profit & Loss. The amortised cost of the financial asset is also adjusted for loss allowance, if any.

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Company has not designated any such debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- ▶ Financial assets that are debt instruments, and are measured at amortised cost e. g. Loans and trade receivables.

- The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities

Initial recognition and measurement:

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial liabilities are initially measured at fair value deducted by, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Subsequent measurement:

Financial liabilities are classified as measured at amortised cost using the effective interest method. The Company's financial liabilities include trade payables, borrowings and other financial liabilities.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as expense over the relevant period of the financial liability in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

3.11 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short- term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.12 Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

3.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is ascertained on a weighted average basis. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Raw Materials are valued on FIFO basis. Finished goods produced by the company are valued at lower of cost or net realizable value. Semi-Finished goods have been valued at lower of Raw Material cost, direct labour and appropriate proportion of variable and fixed overheads, latter being allocated based on normal operating capacity or net realizable value. Stock of goods purchased for resale purposes are valued at their acquisition cost inclusive of all duties and taxes or Net Realizable Value whichever is lower.

Provisions are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.

3.14 Foreign currency

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.

Exchange differences arising on settlement of transactions and translation of monetary items are recognized in the statement of Profit or Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

3.15 Revenue Recognition

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. Sale of products include related ancillary services, if any.

Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts.

Sales are disclosed excluding net of sales returns and Goods and Service Tax (GST).

Sale of Scrap

Revenue from sale of scrap is recognized as and when scrap is sold.

Other income

Interest Income is recognized on a time proportionate basis including interest accrued based on the amount outstanding and rate applicable and shown under "Other Income".

Export Benefits

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption. The benefits accrued under the duty drawback scheme and Merchandise Export from India Scheme (MEIS) as per the Import and export Policy in respect of exports under the said scheme are recognized when there is a reasonable assurance that the benefit will be received and the company will comply with all attached conditions. The above benefits have been included under the head 'Export Incentives.'

Dividend income

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims

Insurance claims are accounted on accrual basis when there is reasonable certainty of realisability of the claim amount.

Commission Income

Income on account of commission is accounted on accrual basis based on the Terms of Agreement.

3.16 Earnings Per Share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares.

3.17 Dividends

Any dividend declared by Chemcrux Enterprises Limited is based on the profits available for distribution as reported in the statutory financial statements of Chemcrux Enterprises Limited (standalone) prepared in accordance with Generally Accepted Accounting Principles in India or Indian GAAP or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory financial statements of Chemcrux Enterprises Limited (Standalone) prepared in accordance with Generally Accepted Accounting Principles in India, or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act.

However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these financial statements may not be fully distributable.

3.18 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.19 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the assets are substantially ready for their intended use. The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised in the year in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.20 Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

3.21 Segment Reporting

With respect (Ind AS - 108 Segment Reporting), 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 business of manufacturing and processing of Bulk Drug Intermediates and its related products belong to one business segment only.

3.22 Government grants

Government grants are recognised at its fair value, where there is a reasonable assurance that such grants will be received and compliance with the conditions attached therewith have been met.

Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received. Grants received less amounts credited to the statement of profit and loss at the reporting date are included in the balance sheet as deferred income.

3.23 GST Input Credit

Goods and service tax (GST) input credit is accounted on an accrual basis on purchase of eligible inputs, capital goods and services. The balance of GST input credit is reviewed at the end of each year and amount estimated to be un-utilizable is charged to the statement profit and Loss for the year.

3.24 Transition to Ind AS

As stated in note 2(a), the Company's financial statements for the year ended March 31, 2023 are the first annual financial statements prepared in compliance with Ind AS.

The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 01, 2021 as the transition date. Ind AS 101 requires that all Ind AS standards that are effective for the first Ind AS Financial Statements for the year ended March 31, 2023, be applied consistently and retrospectively for all fiscal years presented.

All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and previous GAAP as of the Transition Date have been recognised directly in equity at the Transition Date.

In preparing these financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101 as explained below:

Exemptions from retrospective application

The Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value of all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (April 01, 2020)

3.25 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the company's functional currency. All amounts have been rounded-off to the nearest lakhs, as per the requirements of Schedule III, unless otherwise stated.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

4 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS: TANGIBLE ASSETS

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK
		As at 1 st April, 2022	Additions During the year	Adjustment / Deduction during the year	As at 31 st March, 2023	Upto 1 st April, 2022	During the year	Adjusted with Retained Earnings during the year	Adjustment /Deduction During the year	Upto 31 st March, 2023	As at 31 st March, 2023
	Tangible Assets										
1	Land	201.31	-	-	201.31	-	-	-	-	-	201.31
2	GIDC Quarter	-	-	-	-	-	-	-	-	-	-
3	Factory Building	866.16	370.83	-	1,236.99	102.53	33.23	-	0.30	136.07	1,100.92
4	Office Premises	19.63	-	-	19.63	6.22	-	-	-	6.22	13.40
5	Furniture & Fixtures	20.09	2.08	-	22.16	8.39	2.86	-	-	11.25	10.91
6	Computer	19.75	2.48	-	22.22	17.02	1.76	-	-	18.78	3.44
7	Motor Car	1,433.99	17.54	8.82	1,442.71	17.96	8.04	-	5.81	20.19	1,422.52
8	Office Equipment	22.48	11.67	-	34.15	15.86	3.13	-	-	18.99	15.16
9	Plant & Machinery	425.34	680.71	14.05	1,092.01	607.98	136.05	-	7.36	736.67	355.34
10	Pollution Control System	86.00	-	3.32	89.32	36.44	5.87	-	2.50	39.82	49.51
	Total	3,094.74	1,085.30	19.54	4,160.51	812.41	190.95	-	15.37	987.99	3,172.52

	Particulars	As at 1 st April, 2021	Additions During the year	Adjustment / Deduction during the year	As at 31st March, 2022	Upto 1st April, 2021	During the year	Adjusted with Retained Earnings during the year	Adjustment /Deduction During the year	Upto 31st March, 2022	As at 31st March, 2022
	Tangible Assets										
1	Land	201.31	-	-	201.31	-	-	-	-	-	201.31
2	GIDC Quarter	1.83	-	1.83	-	0.64	-	-	0.64	-	-
3	Factory Building	771.53	94.62	-	866.16	77.37	25.20	-	0.03	102.53	763.62
4	Office Premises	19.63	-	-	19.63	6.18	0.01	-	0.03	6.22	13.40
5	Furniture & Fixtures	6.67	13.42	-	20.09	6.59	1.79	-	-	8.39	11.70
6	Computer	18.35	1.40	-	19.75	15.36	1.66	-	-	17.02	2.73
7	Motor Car	1,430.12	27.63	23.76	1,433.99	26.13	7.51	-	15.68	17.96	1,416.02
8	Office Equipment	18.49	3.99	-	22.48	13.43	2.43	-	-	15.86	6.62
9	Plant & Machinery	64.35	360.99	-	425.34	506.99	100.98	-	-	607.98	182.63
10	Pollution Control System	86.00	-	-	86.00	30.79	5.66	-	-	36.44	49.55
	Total	2,618.28	502.06	25.60	3,094.74	683.49	145.25	-	16.32	812.41	2,282.33
	Particulars	As at 1st April, 2020	Additions During the year	Adjustment / Deduction during the year	As at 31st March, 2021	Upto 1st April, 2020	During the year	Adjusted with Retained Earnings during the year	Adjustment /Deduction During the year	Upto 31st March, 2021	As at 31st March, 2021
	Tangible Assets										
1	Land	201.31	-	-	201.31	-	-	-	-	-	201.31
2	GIDC Quarter	1.83	-	-	1.83	0.64	-	-	-	0.64	1.19
3	Factory Building	420.29	351.24	-	771.53	59.40	17.97	-	-	77.37	694.17
4	Office Equipment	18.88	0.75	-	19.63	11.05	2.37	-	-	13.43	6.20
5	Office Premises	6.67	-	-	6.67	6.18	-	-	-	6.18	0.49
6	Furniture & Fixtures	18.27	0.08	-	18.35	5.14	1.46	-	-	6.59	11.75
7	Plant & Machinery	1,278.00	152.11	-	1,430.12	423.24	83.76	-	-	506.99	923.12
8	Computer	15.78	2.71	-	18.49	15.16	0.20	-	-	15.36	3.13
9	Motor Car	64.35	-	-	64.35	19.16	6.97	-	-	26.13	38.22
10	Pollution Control System	76.00	10.00	-	86.00	25.97	4.82	-	-	30.79	55.21
	Total	2,101.39	516.89	-	2,618.28	565.94	117.55	-	-	683.49	1,934.79

5 CAPITAL WORK IN PROGRESS:

(In Lakhs)

	Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
1	Projects Work In Progress			
	- less than 6 months	30.52	-	32.04
	- 1 year to 2 years	-	-	-
	- 2 year to 3 years	-	-	-
	- More than 3 years	-	-	-
	Total	30.52	-	32.04
2	Projects Temporarily Suspended			
	- less than 6 months	-	-	-
	- 1 year to 2 years	-	-	-
	- 2 year to 3 years	-	-	-
	- More than 3 years	-	-	-
	Total	30.52	-	32.04

6 INVESTMENT PROPERTY:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				AMORTISATION					NET BLOCK
		As at 1 st April, 2022	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	During the year	Adjusted with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
1	Office Premises at GIFT City, Gandhinagar	67.78	-	-	67.78	-	-	-	-	-	67.78
		67.78	-	-	67.78	-	-	-	-	-	67.78
	Particulars	As at 1 st April, 2021	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2022	As at 1 st April, 2021	During the year	Adjusted with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2022	As at 31st March, 2022
1	Office Premises at GIFT City, Gandhinagar	67.16	0.62	-	67.78	-	-	-	-	-	67.78
		67.16	0.62	-	67.78	-	-	-	-	-	67.78
	Particulars	As at 1 st April, 2020	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2021	As at 1 st April, 2020	During the year	Adjusted with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2021	As at 31st March, 2021
1	Office Premises at GIFT City, Gandhinagar	67.16	-	-	67.16	-	-	-	-	-	67.16
		67.16	-	-	67.16	-	-	-	-	-	67.16

7 RIGHT OF USE ASSETS:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				AMORTISATION					NET BLOCK
		As at 1 st April, 2022	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	During the year	Adjusted with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
1	Right to Use of Asset	123.43	-	-	123.43	42.17	12.34	-	-	54.51	68.91
		123.43	-	-	123.43	42.17	12.34	-	-	54.51	68.91
	Particulars	As at 1 st April, 2021	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2022	As at 1 st April, 2021	During the year	Adjusted with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2022	As at 31st March, 2022
1	Right to Use of Asset	123.43	-	-	123.43	29.83	12.34	-	-	42.17	81.26
		123.43	-	-	123.43	29.83	12.34	-	-	42.17	81.26
	Particulars	As at 1 st April, 2020	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2021	As at 1 st April, 2020	During the year	Adjusted with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2021	As at 31st March, 2021
1	Right to Use of Asset	123.43	-	-	123.43	17.49	12.34	-	-	29.83	93.60
		123.43	-	-	123.43	17.49	12.34	-	-	29.83	93.60

8 INTANGIBLE ASSETS:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				AMORTISATION					NET BLOCK	
		As at 1 st April, 2022	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	During the year	Adjusted with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023	
1	Computer Software	4.78	1.10	-	5.88	3.81	0.43	-	-	4.23	1.65	
		4.78	1.10	-	5.88	3.81	0.43	-	-	4.23	1.65	
	Particulars	As at 1 st April, 2021	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2022	As at 1 st April, 2021	During the year	Adjusted with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2022	As at 31st March, 2022	
1	Computer Software	4.78	-	-	4.78	2.58	1.22	-	-	3.81	0.97	
		4.78	-	-	4.78	2.58	1.22	-	-	3.81	0.97	
	Particulars	As at 1 st April, 2020	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2021	As at 1 st April, 2020	During the year	Adjusted with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2021	As at 31st March, 2021	
1	Computer Software	4.78	-	-	4.78	-	2.58	-	-	2.58	2.20	
		4.78	-	-	4.78	-	2.58	-	-	2.58	2.20	

9 INVESTMENTS:

(In Lakhs)

Particulars	Face Value	As at 31st March, 2023		As at 31st March, 2022		As at 31st March, 2021	
		Units	Rs.	Units	Rs.	Units	Rs.
Non-Current							
Investment in Equity Instruments (At Cost)							
In Joint Venture							
Kalichem Private Limited	10	0.05	0.50	0.05	0.50	-	-
In Others							
Narmada Cleartech Ltd (Previously known as Bharuch Eco-Acqua Inf. Ltd)	10	0.37	3.67	0.37	3.67	0.37	3.67
Ankleshwar Research & Analytical Infrastructure Ltd	10	0.10	1.00	0.10	1.00	0.10	1.00
Total			5.17		5.17		4.67
Current							
Investment in Mutual Funds (At fair value through OCI)							
Quoted , Non Trade							
UTI Money Market Fund		0.64	1,673.47	0.28	703.72	0.15	359.35
UTI Liquid Cash Plan		-	-	-	-	0.15	515.95
Total			1,673.47		703.72		875.30
			1,678.64		708.89		879.97

10 OTHER FINANCIAL ASSETS - NON-CURRENT (UNSECURED, CONSIDERED GOOD)

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Security deposits	163.41	131.29	78.92
Fixed deposits with banks (maturity on or above 12 months)	-	0.10	0.10
Loans To Related Party (Repayable in 48 monthly instalments after completion of moratorium of 36 months during which only interest is payable at rate of interest that is reasonable and is prevalent in the market.)	280.00	125.00	-
Advances	-	131.87	-
Total	443.41	388.26	79.02

11 OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD):

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Employee Gratuity Scheme	11.55	8.94	6.85
Total	11.55	8.94	6.85

12 INVENTORIES:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Raw materials	205.43	417.86	430.85
Stores and Spares	2.93	3.00	3.00
Work-in-progress	425.79	214.15	249.96
Finished goods	774.92	522.17	53.20
(At lower of cost and net realizable value, unless stated otherwise)	1,409.07	1,157.17	737.02

13 TRADE RECEIVABLES - CURRENT:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
<u>Unsecured, considered good</u>			
Due from related parties	-	-	-
Due from others	1,343.92	1,887.71	331.32
Less: Impairment Allowance	-	-	-
Total Trade Receivables	1,343.92	1,887.71	331.32
TRADE RECEIVABLES AGEING SCHEDULE			
<u>Undisputed Trade Receivables, considered good</u>			
- less than 6 months	1,306.86	1,886.88	324.43
- 6 months to 1 year	31.47	0.20	5.06
- 1 year to 2 years	3.24	0.03	-
- 2 year to 3 years	0.03	0.60	0.88
- More than 3 years	2.31	-	0.96
Total	1,343.92	1,887.71	331.32
<u>Undisputed Trade Receivables, which have significant</u>			
- not yet due	-	-	-
- less than 6 months	-	-	-
- 6 months to 1 year	-	-	-
- 1 year to 2 years	-	-	-
- 2 year to 3 years	-	-	-
- More than 3 years	-	-	-
Total	-	-	-
<u>Undisputed Trade Receivables, credit impaired</u>			
- not yet due	-	-	-
- less than 6 months	-	-	-
- 6 months to 1 year	-	-	-
- 1 year to 2 years	-	-	-
- 2 year to 3 years	-	-	-
- More than 3 years	-	-	-
Total	-	-	-

<u>Disputed Trade Receivables, considered good</u>				
- not yet due		-	-	-
- less than 6 months		-	-	-
- 6 months to 1 year		-	-	-
- 1 year to 2 years		-	-	-
- 2 year to 3 years		-	-	-
- More than 3 years		-	-	-
Total		-	-	-
<u>Disputed Trade Receivables, which have significant increase in credit risk</u>				
- not yet due		-	-	-
- less than 6 months		-	-	-
- 6 months to 1 year		-	-	-
- 1 year to 2 years		-	-	-
- 2 year to 3 years		-	-	-
- More than 3 years		-	-	-
Total		-	-	-
<u>Disputed Trade Receivables, credit impaired</u>				
- not yet due		-	-	-
- less than 6 months		-	-	-
- 6 months to 1 year		-	-	-
- 1 year to 2 years		-	-	-
- 2 year to 3 years		-	-	-
- More than 3 years		-	-	-
Total		-	-	-
Total		1,343.92	1,887.71	331.32

14 CASH AND CASH EQUIVALENTS:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Balances with banks			
- In current accounts	115.85	1,160.11	253.90
- Balances held in unpaid dividend accounts	0.37	0.19	0.06
Cash on hand	2.51	8.55	6.69
Total	118.73	1,168.85	260.65

15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Other Bank Balances			
- Deposits held as Margin Money	10.68	10.68	10.44
- Other Fixed Deposits with Bank (Less than 12 Months)	580.00	-	-
Total	590.68	10.68	10.44

16 OTHER FINANCIAL ASSETS -CURRENT:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
	Earnest Money Deposit and Others	-	-	-
	Accrued Interest Income	1.31	-	-
	Total	1.31	-	-

17 OTHER CURRENT ASSETS:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
(Unsecured, considered good)				
	- Advances to Suppliers	289.69	4.44	60.19
	- Prepaid expenses	15.03	12.94	8.14
	- Balances with government authorities	32.50	46.65	53.58
	- Other Advances	24.73	22.83	44.34
	- Advance Income taxes and refunds receivable	370.91	443.82	353.19
	- Advances to Staff	15.33	17.91	20.55
	Total	748.19	548.59	539.98

18 EQUITY SHARE CAPITAL:

(In Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
(a) Authorised						
Equity shares of par value Rs 10/- each	150.00	1,500.00	150.00	1,500.00	60.00	600.00
	150.00	1,500.00	150.00	1,500.00	60.00	600.00
(b) Issued, subscribed and fully paid up						
Equity shares of par value Rs 10/- each at the beginning of the year	148.09	1,480.88	49.36	493.63	49.36	493.63
Changes during the year	-	-	98.73	987.26	-	-
At the end of the year	148.09	1,480.88	148.09	1,480.88	49.36	493.63

(In Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
(c) Reconciliation of Number of Shares						
Shares at the beginning of the year	148.09	1,480.88	49.36	493.63	49.36	493.63
Add: Bonus Shares issued	-	-	98.73	987.26	-	-
Shares at the close of the year	148.09	1,480.88	148.09	1,480.88	49.36	493.63

The Company has not issued any shares for a consideration other than cash during the period of five years immediately preceding the reporting date except 98.73 bonus shares issued during FY 2021-22.

(d) The Company has only one class of equity shares having a par value of **Rs. 10/-** per share. Each holder of equity shares is entitled to one vote per share. The holders of Equity Shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) **Details of shares held by promoters and others (others being shareholders holding more than 5% of the aggregate shares in the company)**

(In Lakhs)

<i>Name of shareholder</i>	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Promoters' Group:						
Girish C Shah	54.00	36.47	54.00	36.47	18.00	36.47
Sanjay Y Marathe	54.00	36.47	54.00	36.47	18.00	36.47
Other than Promoters (Shareholders holding more than 5%)	-	-	-	-	-	-

19 OTHER EQUITY:

(In Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
(a) Retained earnings						
Balance as per Last Account	3,982.14		3,475.38		2,640.74	
Add : Surplus as per Statement of Profit and Loss	1,435.81		1,485.87		893.36	
Add : Impact of Ind AS 116					- 21.83	
Add : Increase in fair value of investments					12.47	
Amount available for appropriation	5,417.95		4,961.24		3,524.74	
Less : Appropriations:						
Dividend on equity shares	296.18		98.73		49.36	
Utilized for issuance of Bonus Shares	-		880.38		-	
Transfer to general reserve	-		-		-	
Balance at the end of the year		5,121.77		3,982.14		3,475.38
(b) Securities Premium Reserve						
Balance as per last account	-		106.88		106.88	
Add: Securities Premium received during the year	-		-		-	
Less: Utilised For issuance of Bonus Shares			106.88			
Balance at the end of the year		-		-		106.88
(c) Other Comprehensive Income (OCI)						
Balance as per Last Account	5.32		-		-	
Add: Other comprehensive income for the year	32.59		5.32			
Less: Transfer to retained earnings						
Balance at the end of the year		37.90		5.32		-
Total other equity		5,159.68		3,987.46		3,582.26

20 NON-CURRENT FINANCIAL LIABILITY:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Long Term Borrowings			
Secured Loans			
From Bank	1,025.64	-	35.38
(Repayable in 84 monthly instalments from March 23 having moratorium period of 13 month during which only interest payable and from April 24 both interest and principal payable.)			
From NBFC	-	-	1.50
	1,025.64		36.88
Unsecured Loans			
Loan from Directors	-	-	10.55
	-	-	10.55
Total	1,025.64		47.44

Balances of Term Loans from Kotak Mahindra Bank Ltd include:

Term Loans from Kotak Mahindra Bank were secured against all existing and future receivables, current assets and movable property plant and equipments. Rate of Interest is RPRR 6.25% (as per latest sanction) + 2.75% (spread) i.e., 9.00%. The company has been given a 12-month moratorium. Only interest will be paid during the moratorium period and principal will begin in March 2024.

The above facilities were 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.

21 LEASE LIABILITIES:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
NON CURRENT			
Lease Liability Payable beyond 12 months	90.59	101.16	109.33
CURRENT			
Lease Liability Payable within 12 months	10.57	8.17	6.10
Total Lease Liabilities	101.16	109.33	115.43
The Movement in Lease liabilities is as follows:			
Balance as at beginning of the year	109.33	115.43	119.74
Add: Addition			-
Accretion of interest	8.47	9.03	9.44
Less: Payments	16.64	15.13	13.75
Closing balance as at 31st March	101.16	109.33	115.43

22 OTHER FINANCIAL LIABILITIES:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
NON CURRENT	-	-	-
Total Non Current Other Financial Liabilities	-	-	-
CURRENT			
Unpaid Dividends	0.19	0.02	-
Security Deposits	-	-	-
Other Expenses Payable	-	-	-
Total	0.19	0.02	-

23 PROVISIONS:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
NON CURRENT			
Provision for Employee Benefits:	-	-	-
- Provision for Gratuity			
Total Non Current Provisions	-	-	-
CURRENT			
Provision for Employee Benefits:			
- Provision for Leave Encashment			
Provision for Others			
Total Current Provisions	-	-	-

Notes:

- i. 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 20 lakhs. 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.

Method Used	Projected Unit Credit Method		
Actuarial Assumptions Used	LIC (1994-96)		
Mortality Rate			
Discount Rate	7.00%		
Expected Return on Plan Assets	8.00%		
Salary Escalation Rate	7.00%		

Major Categories of Plan Assets

Insurer Managed Funds – 100%

	31st, March 2023	31st, March 2022	31st, March 2021
Change in Present Value of Defined Benefit Obligation			
Present Value of Obligations as at the beginning of the Year	170.56	164.60	141.97
Interest Cost	12.51	11.52	10.29
Current Service Cost	9.23	9.05	7.81
Benefits Paid	(13.64)	(14.85)	(4.81)
Actuarial (gains) / losses on obligation	(11.79)	0.22	9.34
Present Value of Obligations as at the end of the Year	166.88	170.56	164.60
Change in Fair Value of Plan Assets			
Fair Value of Plan Assets as at the beginning of the Year	179.48	171.45	146.99
Expected Return on Plan Assets	12.23	12.01	10.68
Contributions	0.35	10.87	18.59
Benefits Paid	(13.64)	(14.85)	(4.81)
Actuarial (gains) / losses on Plan Assets		NIL	NIL
Fair Value of Plan Assets as at the end of the Year	178.42	179.48	171.45
Defined Benefit Obligation as recognized in Balance Sheet			
Present Value of Obligations as at the Year end	166.88	170.56	164.60
Unrecognised Past Service Cost	-	-	-
Fair Value of Plan Assets as at the Year end	178.42	179.48	171.45
Net (Asset) / Liability recognized in Balance Sheet	(11.54)	(8.93)	(6.85)
Net Gratuity Benefit Expenditure Recognised in P&L Account			
Current Service Cost	9.23	9.05	7.81
Interest Cost	12.51	11.52	10.29
Expected Return on Plan Assets	(12.23)	(12.01)	(10.68)
Net Actuarial (Gain) / Loss Recognised in the Year	(11.79)	0.22	9.34
Net Expense Recognised in Statement of Profit & loss	(2.27)	8.80	16.76

The estimates of rate escalation in salary is considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2022-23.

The plan typically exposes the Company to actuarial risks such as: interest rate risk, liquidity risk, salary escalation risk and regulatory risk.

Interest Rate Risk:

The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:

This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs (e.g., Increase in the maximum limit on gratuity of Rs. 10,00,000)

24 DEFERRED TAX ASSETS/LIABILITY (NET):

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Deferred Tax Asset		-	-
Deferred Tax Liabilities	180.77	127.91	110.06
	180.77	127.91	110.06

DEFERRED TAX (ASSET)/LIABILITIES IN RELATION TO:

(In Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Opening balance			
Loss allowances on trade receivables (Expected Credit Loss)	-	-	-
Non deductible expenses for tax purpose	-	-	-
Property, plant and equipment	127.91	110.06	98.90
Investments carried at FVTPL			-
Total	127.91	110.06	98.90
Recognised in Profit or loss			
Loss allowances on trade receivables (Expected Credit Loss)	-	-	-
Non deductible expenses for tax purpose	-	-	-
Property, plant and equipment	52.87	17.85	11.16
Investments carried at FVTPL	-	-	-
Total	52.87	17.85	11.16
Recognised in Other comprehensive income			
Investments carried at FVTOCI	-	-	-
Remeasurement of Defined benefit plans (OCI)	-	-	-
Total	-	-	-
Closing balance	180.77	127.91	110.06
Loss allowances on trade receivables (Expected Credit Loss)	-	-	-
Non deductible expenses for tax purpose	-	-	-
Property, plant and equipment	180.77	127.91	110.06
Investments carried at FVTOCI	-	-	-
Remeasurement of Defined benefit plans (OCI)	-	-	-

25 SHORT - TERM BORROWINGS:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
SECURED			
Short Term Term Loan	-	800.00	-
Cash Credit Facility	301.24	-	-
Current Maturities of Long Term Debts			
- Kotak Mahindra Prime Ltd Car Loan (Instalments due within one	-	1.50	45.34
- Kotak Mahindra Bank Ltd (Instalments due within one year)	14.65		
	315.89	801.50	45.34

The Company has obtained sanction of Cash Credit Limits of Rs 500 Lacs against First and Exclusive Charges on all existing and future current assets. The Facilities are further secured by way of mortgage of immovable property of the Company as a Collateral as well as personal guarantees of the two directors i.e., Girish Shah and Sanjay Marathe. The applicable Rate of Interest is RPRR 6.25% (as per latest sanction) + 2.75% (spread) i.e. 9.00%.

26 TRADE PAYABLES – CURRENT:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Total outstanding dues of creditors			
Creditors for goods	622.79	995.96	84.92
Creditors for services	180.43	163.83	115.27
	803.23	1,159.79	200.20
Sundry Creditors are as per books and have not been corroborated by circulation / confirmation of balances.			
TRADE PAYABLES AGEING SCHEDULE(Outstanding for following periods from due date of payment)			
Micro and small enterprises			
- less than 1 year	-	-	-
- 1 year to 2 years	-	-	-
- 2 year to 3 years	-	-	-
- More than 3 years	-	-	-
OTHERS			
- less than 1 year	803.23	980.66	81.96
- 1 year to 2 years	-	15.30	2.96
- 2 year to 3 years	-	-	-
- More than 3 years	-	-	-
	803.23	995.96	84.92

NOTE: Refer Note No.51 for Dues to Micro and Small Enterprises

Dues to Micro and Small Enterprises: With reference to amounts shown as payable to Micro, Small and Medium Enterprises, the information has been compiled in respect of parties to the extent they could be identified as Micro, Small and Medium Enterprises on the basis of information collected and available with the Company and same has been relied upon by the auditors. The Company deals with various Micro, Small and Medium Enterprises on mutually accepted terms and conditions.

27 OTHER CURRENT LIABILITIES:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Other current liabilities			
Advance's from Customers	-	-	-
Statutory Liabilities	16.82	31.59	8.48
Others Current Liability	113.59	119.67	72.23
Total	130.41	151.25	80.70

28 CURRENT TAX LIABILITIES (NET):

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Provision for Current Taxation	489.01	493.29	300.00
Total	489.01	493.29	300.00

29 REVENUE FROM OPERATIONS:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Sale Of Goods		
	- Domestic Sales	6,183.33	5,929.08
	- Export Sales	1,893.37	2,272.16
	Other Operating Revenues	-	-
	- Job Work	1,438.54	1,325.81
	Total	9,515.24	9,527.06

30 OTHER INCOME:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Interest Income		
	Fixed Deposits With Banks	0.59	0.91
	Income tax Refunds	2.40	-
	Interest On Advances	5.32	1.99
	Interest on Deposits	20.49	6.25
	Dividend Income	-	0.00
	Net Gain on Sale of Investments	37.99	21.06
	Duty Drawback / Advance License /MEIS License	11.74	39.66
	Other Non- Operating Income		
	Profit On Sales Of Asset	1.68	3.91
	Miscellaneous Income	5.84	3.42
	Exchange rate difference	19.16	22.63
	Total	105.21	99.83

31 COST OF MATERIAL CONSUMED:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Raw Material		
	Balance as per last account	417.86	430.85
	Add: Purchases during the year	4,369.04	4,994.49
	Less: Balance at the end of the year	205.43	417.86
	TOTAL (A)	4,581.47	5,007.49
	Packing Material	29.86	25.59
	TOTAL (B)	29.86	25.59
	Consumable Stores and Spares Consumed (C)	152.09	187.10
	Total Consumption (A+B+C)	4,763.42	5,220.18

32 PURCHASE OF TRADED GOODS:

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Purchases	-	-
		-	-

33 CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS & STOCK-IN-TRADE:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	(Increase)/ Decrease in Stocks		
	Stock at the end of the Year:		
	Finished Goods	774.92	522.17
	Stores & Spares	2.93	3.00
	Work In Progress	425.79	214.15
	TOTAL(A)	1,203.64	739.31
	Less: Stock at the Beginning of the year:		
	Finished Goods	522.17	53.20
	Stores & Spares	3.00	3.00
	Work In Progress	214.15	249.96
	TOTAL(B)	739.31	306.16
	TOTAL (B-A)	- 464.33	- 433.15

34 EMPLOYEE BENEFIT EXPENSES:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Salaries, Wages and Bonus & other allowances	686.88	573.89
	Contributions to Provident Fund and Other Funds	32.18	36.22
	Gratuity Expenses	- 2.27	8.79
	Staff Welfare Expenses	74.54	12.80
	Total	791.33	631.69

35 FINANCE COSTS:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Interest Expenses on Borrowings	37.00	4.74
	Bank charges & Others	17.17	2.95
	Finance Charges on Lease Liability	8.47	9.03
	Discount Charges	19.20	-
	Total	81.84	16.73

36 OTHER EXPENSES:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Power and Fuel	665.62	512.47
	Labour Charges	121.41	122.27
	Freight Inward, Octroi & Transportation	59.57	47.21
	Other Factory Expense	681.59	565.73
	Repairs & Maintenance: Building	24.80	24.14
	Repairs & Maintenance: Plant & Machinery	204.63	209.26
	Office & General Administration Expenses	14.44	11.71
	Directors sitting fees	1.76	0.82
	Reserch & Development Exp	-	12.14
	Rent, Rates and Taxes	6.61	2.46
	Insurance	49.21	33.08
	Legal and Professional Fees	66.50	69.97
	Security charges	28.43	16.76
	Payments to Auditors (Please refer note 48)	1.00	1.00
	Travelling Expense	13.36	5.24
	Commission & Brokerage	5.90	26.64
	Donation	0.31	0.11
	Vehicle Exp	7.78	6.74
	Custom Clearing Charges for Exports	53.92	89.93
	Advertisement Exp	5.28	2.01
	Packing & Forwarding Exp	229.43	206.66
	CSR Activity	30.93	26.37
	GPCB Penalty	7.20	50.00
	Total	2,279.68	2,037.82

37 OTHER COMPREHENSIVE INCOME:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	(i) Items that will not be reclassified to profit or loss		
	Defined Benefit Plan on Gratuity	11.79	0.22
	Income tax relating to items that will not be reclassified to profit or loss	2.97	0.06
		-	-
		-	-
	(ii) Items that will be reclassified to profit or loss	-	-
	Fair Value Gain on Investments	31.76	7.33
	Less: Income tax relating to items that will not be reclassified to profit or loss	7.99	1.84
		32.59	5.32

38 C.I. F. VALUE OF IMPORTS:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Raw Materials	1,495.31	1,144.77	817.43
Total	1,495.31	1,144.77	817.43

39 EXPENDITURE IN FOREIGN CURRENCY:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Travelling Expense	8.73	2.42	-
Professional Fees	0.57	-	-
Total	9.30	2.42	-

40 Sundry Creditors and Sundry Debtors are as per books and have not been corroborated by circulation / confirmation of balances / reconciliation of accounts. Confirmations of parties concerned, for the amount receivable / due to them as per accounts of the company, are under process of reconciliation and adjustments required, if any, will be made as and when the accounts are settled.

41 In the opinion of the Board, the Current Assets, Loans and Advances which are considered good are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business. Further, in the opinion of the Board, provision of all known liabilities has been adequately made in the accounts.

42 Company has used the borrowing from Bank for the specific purpose for which it was taken at Balance sheet date.

43 CONTINGENT LIABILITIES AND COMMITMENTS:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Contingent Liabilities			
Claims against the Company not acknowledged as debt Guarantees (Bank Guarantee)	750	-	-
Total	750.00	-	-
Commitments			
Estimated amounts of contracts remaining to be executed on capital account and not provided for			
Uncalled liability on shares or investments partly paid			
Other Commitments			
Total	-	-	-

44 EARNINGS IN FOREIGN CURRENCY:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Country wise Breakup of Export Goods			
- Germany	451.27	637.22	367.42
- Italy	92.70	39.88	-
- Belgium	210.08	521.96	494.95
- United Kingdom	4.88	4.76	-
- Hong Kong	2.99	-	51.45
- China	69.12	-	145.93
- USA	1.43	-	-
Total	832.47	1,203.81	1,059.74

45 LEASE COMMITMENTS:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Amortisation of Right to use Assets	12.34	12.34	12.34
Interest charges on Lease Liability ROU	8.47	9.03	9.44
Total	20.81	21.37	21.78

46 PARTICULARS OF FOREIGN CURRENCY EXPOSURE:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Sundry Debtors	30.08	283.82	73.46
Sundry Creditors	189.87	24.72	75.64
Total	219.95	308.54	149.10

47 DIRECTOR'S REMUNERATION:

Directors' remuneration paid during the year is in accordance with the approval of the shareholders to the Company under Section 197(3) of the Companies Act, 2013 for giving the Remuneration above the limits prescribed by Section 197 read with Section II of Part-II of Schedule V of the Companies Act, 2013. The amounts paid includes the following:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Remuneration	168.00	168.00	168.00
Performance Bonus	67.20	42.00	42.00
Total	235.20	210.00	210.00

48 AUDITORS REMUNERATION:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
As Auditors	1.00	1.00	1.00
In other Capacity	0.50	0.50	0.50
Total	1.50	1.50	1.50

49 RELATED PARTY TRANSACTIONS:

The Company has identified all the related parties having transactions during the year in line with Indian Accounting Standard (Ind AS)- 24. Details of the same are as under:

List of Related Parties:

Name of Related Party	Nature of Relationship
Mr. Sanjay Y Marathe	Managing Director
Mr. Girishkumar C Shah	Wholetime Director
Mrs. Neela Marathe	Non-Executive Director
Mr Mukund Bakshi	Independent Director
Mr Shailesh Patel	Independent Director
Mr Bhanubhai Patel	Independent Director
Mr. Krutarth Parikh	CFO
Mrs. Dipika Rajpal	CS
Mrs. Sidhdi G Shah	Relative of Director
Dr Prem's Molecules Private Limited	Enterprise over which Key Management Personnel have significant influence
Kalichem Private Limited	Joint Venture

Transactions with Related Parties

(In Lakhs)

Name of Related Party	Nature of Transaction	During The Year		
		March 31, 2023	March 31, 2022	March 31, 2021
Mr. Sanjay Y Marathe	Remuneration	84.00	84.00	84.00
	Performance	33.60	21.00	21.00
	Bonus	-	-	-
Mr. Girishkumar C Shah	Unsecured Loan	-	1.01	-
	Remuneration	84.00	84.00	84.00
	Performance	33.60	21.00	21.00
Mrs. Neela Marathe	Bonus	-	-	-
	Unsecured Loan	-	2.08	-
	Rent Paid	8.32	7.56	6.88
	Sitting Fees	0.45	0.15	0.10
	Unsecured Loan	-	3.74	-
Mrs. Sidhdi G Shah	Interest on Unsecured Loan	-	0.17	0.38
	Rent Paid	8.32	7.56	6.88
	Sitting Fees	-	0.06	0.06
	Unsecured Loan	-	3.73	-
	Interest on Unsecured Loan	-	0.17	0.37
Mr. Bhanubhai Patel	Sitting Fees	0.35	0.18	0.05
Mr. Mukund Bakshi	Sitting Fees	0.50	0.15	-
Mr. Shailesh Patel	Sitting Fees	0.55	0.28	0.14
Mr. Krutarth Parikh	Salary	5.77	-	-
Mrs. Dipika Rajpal	Salary	4.32	-	-
Dr Prem's Molecules Private Limited	Purchase	-	10.38	9.00
Kalichem Private Limited	Loan Given	155.00	125.00	-
	Interest Income	17.04	3.42	-
	Sales - Service	20.00	-	-

Related Party Balance Outstanding at the end of the year	Nature of Transaction	Year Ended		
		March 31, 2023	March 31, 2022	March 31, 2021
Mr. Sanjay Y Marathe	Balance Outstanding	4.50	18.45	4.50
Mr. Girishkumar C Shah	Balance Outstanding	4.50	14.15	4.50
Mrs. Neela Marathe	Balance Outstanding	-	-	0.40
Mrs. Sidhdhi G Shah	Balance Outstanding	-	-	0.40
Mr. Bhanuhai Patel	Balance Outstanding	-	-	-
Mr. Mukund Bakshi	Balance Outstanding	-	-	-
Mr. Shailesh Patel	Balance Outstanding	-	-	-
Mr. Krutarth Parikh	Balance Outstanding	-	-	-
Mrs. Dipika Rajpal	Balance Outstanding	-	-	-
Dr Prem's Molecules Private Limited	Balance Outstanding	-	-	0.95
Kalichem Private Limited	Balance Outstanding	298.41	128.07	-

50 EARNINGS PER SHARE:

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (In Lakhs)	1,435.81	1,485.87	893.36
Weighted Average number of equity shares used as denominator for calculating EPS (In Lakhs)	148.09	148.09	148.09
Basic and Diluted Earnings per share (In Rs.)	9.70	10.03	6.03
Face Value per equity share (In Rs.)	10.00	10.00	10.00

51 DUES TO MICRO & SMALL ENTERPRISES:

The dues to Micro & Small Enterprises as required under the Micro, Small and Medium Enterprise Development Act, 2006 to the extent information available with the company is given below:

Dues to Micro and Small Enterprises	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
a) The principal amount remaining unpaid to any supplier at the end of the year	-	-	-
b) Interest due remaining unpaid to any supplier at the end of the year	-	-	-
c) The amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of the deductible expenditure under section 23 of the MSMED Act, 2006	-	-	-
Total	-	-	-

52 OTHER STATUTORY INFORMATION:

- i. There are no immovable properties (other than properties where the Company is a lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.
- ii. The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- iii. The Company has not granted any Loans or Advances in the nature of loans to Promoters, Directors, KMPs and Related Parties either severally or jointly with other persons that are repayable on demand or without specifying any terms or period of repayment.
- iv. The Capital Work-in-Progress ageing schedule for the year ended on March 31, 2023 and March 31, 2022 is as follows:

(In Lakhs)

CWIP	Year Ended	
	March 31, 2023	March 31, 2022
Amount in CWIP for a period of		
Less than 1 Year	30.52	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
Total	30.52	-

As on date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

- v. The Company did not have and Intangible Assets under Development as at the end of the year.
- vi. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- vii. The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India."
- viii. The Company has entered into following transactions with Struck-off Companies:

Name of Struck Off Company	Nature of Transaction	Outstanding Amount (Rs.)	Relationship
Gamana Labs Private Limited	Sales (Rs.0.04)	Nil	None

- ix. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period or otherwise.
- x. The Company has made a direct investment in Joint Venture during the year which does not have any further downstream investment. Hence, it is in compliance with the number of layers prescribed under Section 2 (87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017.
- xi. There was no Scheme of Arrangements during the year.
- xii. The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- xiii. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - xiv. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
 - xv. There are no transactions which are not recorded in books and have been surrendered or disclosed as income during the year in Income Tax Assessments.
 - xvi. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 53** The Company has been sanctioned Working Capital Limits of Rs 500 Lacs which are inter-alia against security of current assets. The Company has filed the Statements of Current Assets on quarterly basis. Quarterly statement of current assets submitted by company with Banks are in agreement with books of accounts.
- 54** There are no amounts pending to be transferred to the Investors Education and Protection Fund as at the end of the year.

55 TRANSITION TO IND AS - RECONCILIATION:

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

The transition to Ind AS has resulted in changes in presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles.

Exceptions availed:

Estimates:

Company's estimates in accordance with Ind AS as at the date of transition to Ind AS (April 1, 2021) are consistent with the estimates made for the same date as per IGAAP.

Classification of financial assets:

The classification of financial assets to be measured at Amortised cost is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

Exemptions availed:

Deemed cost for property, plant and equipment and intangible assets:

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Intangible assets recognised as of April 1, 2021 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Leases:

The Company has used following transition exemptions in respect of lease transactions:

- (i) Initial direct costs have been excluded from the measurement of the right-of-use asset at the date of transition to Ind AS.

Reconciliation of Equity as previously reported under IGAAP to Ind AS

(In Lakhs)

<i>Particulars</i>	Year Ended	
	March 31, 2022	March 31, 2021
Total Shareholders' Fund as per IGAAP	5,478.41	4,085.24
Nature of Ind AS Adjustments		
Effect of ROU Accounting of Leases	- 15.38	- 21.83
Effect of Fair Value of Investments	5.48	12.47
Effect of Actuarial gain on defined benefit obligations	- 0.17	-
Total Equity as per Ind AS	5,468.35	4,075.89

Reconciliation of Profit for the year ended March 31, 2022

(In Lakhs)

<i>Particulars</i>	Year Ended
	March 31, 2022
Profit after tax as per IGAAP	1,491.89
Nature of Ind AS Adjustments:	
Effect of ROU Accounting of Leases	- 6.02
Effect of Fair Value of Investments	5.48
Effect of Actuarial gain on defined benefit obligations	- 0.17
Total Comprehensive Income	1,491.18

Reconciliation of statement of cash flows:

The IND AS adjustments are either non-cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, IND AS adoption has no impact on the net cash flow for the year ended March 31, 2022 as compared with the previous GAAP.

Notes to Reconciliations:

Lease:

Under Previous GAAP, lease rentals were recognised as an expense after giving straight lining impact. Under Ind AS 116, the lessee shall recognise right of use assets and lease liabilities at the inception of lease. Right of use asset shall be depreciated over the lease period and lease liability shall be classified as financial liability and finance cost shall be charged on it for each reporting period. The above calculated amount is cumulative of depreciation on right- of-use assets, finance cost element and reversal of lease rent expenses.

Recognition of Actuarial Gain / Loss:

Actuarial gains and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit and loss under IGAAP.

56 SEGMENT REPORTING:

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.

57 IMPAIRMENT OF ASSETS:

During the previous year, the Company had 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 had 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 further provision has been made for same.

58 INTERESTS IN JOINT VENTURES:

Name of Joint Ventures

Share

Kalichem Private Limited

50%

(In Lakhs)

Proportional Amount of Interest in Joint Venture	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Assets			
Property Plant and Equipments and Intangible Assets	296.03	116.37	-
Other Non Current Assets	65.68	6.25	-
Cash and Cash Equivalents	4.76	7.20	-
Short term Loans and Advances	3.36	0.20	-
Liabilities			
Long Term Borrowings	355.46	128.07	-
Trade Payable	12.51	0.15	-
Other Current Liabilities	0.73	0.71	-
Short-Term Provisions	0.63	0.58	-
Incomes	Nil	Nil	-
Expenses	Nil	Nil	-

59 CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

- Gross amount required to be spent by the Company during the year 2022-23: Rs 30.82 Lacs (2021-22 Rs. 26.25 Lakhs)
- Amount spent during the year Rs. 30.93 Lacs
- There is no unspent amount at the end of the year
- Nature of CSR activities:

(In Lakhs)

Name of the Project	Item from the list of activities in schedule VII	Year Ended		
		March 31, 2023	March 31, 2022	March 31, 2021
Construction of shade in village for Prathampura Gram Panchayat	Rural development	1.08	-	-
Contributed in development of Science college facility to Ankleshwar Environmental Preservation Society	Promoting Education	11.00	-	-
Sponsoring Eduacion of Children of S R Rotary institute of chemical technology through Ankleshwar Rotary Education Society	Promoting Education	6.00	-	-
Given 10 Computers in Computer Lab of M S University	Promoting Education	6.15	-	-
Physiotherapy Lab in Muni Seva Ashram	Health Care	6.70	-	-
		-		
Total		30.93	26.25	20.93

60 FAIR VALUES:

A. Classification of Financial Assets and Liabilities:

(In Lakhs)

Particulars	Carrying Value as at		Fair Value as at	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Financial assets				
Financial Investments	1,678.64	708.89	1,678.64	708.89
Cash and Bank Balances	709.41	1,179.53	709.41	1,179.53
Trade Receivables	1,343.92	1,887.71	1,343.92	1,887.71
Other Financial assets	444.72	388.26	444.72	388.26
	-	-	-	-
Financial liabilities				
Trade Payables	803.23	1,159.79	803.23	1,159.79
Borrowings (Current)	315.89	801.50	315.89	801.50
Other Financial Liabilities (Non -Current)	0.19	0.02	0.19	0.02

B. Quantitative disclosure of fair value measurement hierarchy as at March 31, 2023:

(In Lakhs)

Particulars	Date of Valuation	Fair Value		
		Level 1	Level 2	Level 3
Financial assets				
Financial Investments	March 31, 2023	1,673.47		5.17
Cash and Bank Balances	March 31, 2023	-	-	709.41
Trade Receivables	March 31, 2023	-	-	1,343.92
Other Financial assets	March 31, 2023	-	-	444.72
Financial liabilities				
Trade Payables	March 31, 2023	-	-	803.23
Borrowings (Current)	March 31, 2023	-	-	315.89
Other Financial Liabilities (Non -Current)	March 31, 2023	-	-	0.19

Quantitative disclosure of fair value measurement hierarchy as at March 31, 2022:

(In Lakhs)

Particulars	Date of Valuation	Fair Value		
		Level 1	Level 2	Level 3
Financial assets				
Financial Investments	March 31, 2022	703.72	-	5.17
Cash and Bank Balances	March 31, 2022	-	-	1,179.53
Trade Receivables	March 31, 2022	-	-	1,887.71
Other Financial assets	March 31, 2022	-	-	388.26
Financial liabilities				
Trade Payables	March 31, 2022	-	-	1,159.79
Borrowings (Current)	March 31, 2022	-	-	801.50
Other Financial Liabilities (Non -Current)	March 31, 2022	-	-	0.02

61 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an internal part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior Professionals working to manage the financial risks and the appropriate financial risk governance framework for the company are accountable to the Board of Directors and Audit Committee. This process provided assurance the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objectives. In the event of crises caused due to external factors such as caused by recent

pandemic “COVID 19” the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure there is enough liquidity in these situations through internal and external source of funds. These forecast and assumptions are reviewed by board of directors."

1. Risk Management Framework

The Company's board of directors has overall responsibility for establishment and Oversight of the company's risk management framework. The board of directors have established the processes to ensure that executive management controls risks through the Mechanism of properly defined framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

2. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic and export market. The management impact analysis shows credit risk and impact assessment as low.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. The company management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the Directors of the company. Most of the Company's customers have been transacting with the company for over Five to Ten years against those customers. In monitoring customer credit risk, Customers are reviewed according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry and existence of previous financial difficulties. The company has not written off any amount in recent past for impairment in receivables. In view of the same no provision for impairment is done in current financial year."

3. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2023:

Particulars	Carrying Amount	(In Lakhs)		
		Upto 1 Year	1-5 Years	More than 5 Years
Borrowings (including current maturities)	1,341.53	315.89	703.29	322.34
Trade Payables	803.23	803.23	-	-
Lease Liabilities	101.16	10.57	74.51	16.07
Other Financial Liabilities	0.19	0.19	-	-

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2022:

Particulars	Carrying Amount	(In Lakhs)		
		Upto 1 Year	1-5 Years	More than 5 Years
Borrowings (including current maturities)	801.50	801.50	-	-
Trade Payables	1,159.79	1,144.49	15.30	-
Lease Liabilities	109.33	8.17	60.67	40.49
Other Financial Liabilities	0.02	0.02	-	-

4. Market Risk

"Market risk is the risk that the Fair value of future cash flow of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: Currency rate risk, Interest Risk and equity price risk.

1. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has borrowings, therefore Company is exposed to such risk.

2. Foreign Currency Risk

The Indian Rupee is the Company's most significant currency. As a consequence, the Company's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. So, the Company is exposed to such risk.

3. Equity Price Risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the price risk through diversification and by placing limits on individual and total instruments. Reports on the portfolio are submitted to the management on a regular basis."

5. Capital Management

The Company's capital management objectives are:

- To ensure the Company's ability to continue as going concern
- To provide adequate return to shareholders through optimisation of debt and equity balance

For the purpose of the Company's capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and business opportunities. The Company monitors capital structure using a debt equity ratio, which is debt divided by equity.

Particulars	(In Lakhs)		
	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Debt	1,341.53	801.50	93
Less: Cash and bank balances	118.73	1,168.85	261
Adjusted net debt	1,222.80	367.35	(168)
Total equity	6,640.56	5,468.34	4,076
Adjusted net debt to total equity ratio	0.18	0.07	-0.04

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

63 KEY FINANCIAL RATIOS:

Ratio	Numerator	Denominator	Mar-23	Mar-22	% Variance	Reason for variance
(a) Current ratio	Total Current Assets	Total Current Liabilities	3.36	2.10	60.58%	The increase in the ratio is due to an increase in current investments.
(b) Debt-equity ratio	Short Term Borrowing + Long Term Borrowing	Total Equity	0.202	0.147	37.83%	The increase in the ratio is due to an increase in long term borrowings.
(c) Debt service coverage ratio	Profit Before Interest and Tax	Total Debts Service (Interest + Finance Lease Payment + Principal Repayment)	1.13	1.79	-36.96%	The decrease in the ratio is due to an increase in the borrowing cost.
(d) Return on equity ratio	Net Profit after Tax	Total Equity	0.24	0.31	-23.84%	-
(e) Inventory turnover ratio	Net Sales	Average Inventory	7.42	10.06	-26.28%	The decrease in the ratio is due to an increase in average inventories.
(f) Trade receivables turnover ratio	Net Sales	Average Trade Receivables	5.89	8.59	-31.42%	The decrease in the ratio is due to an increase in average trade receivables.
(g) Trade payables turnover ratio	Net Purchases	Average Trade Payable	4.61	7.62	-39.55%	The decrease in the ratio is due to an increase in average trade payable.
(h) Net Working capital turnover ratio	Net Sales	Working Capital	4.12	5.59	-26.39%	The decrease in the ratio is due to an increase in current assets.
(i) Net profit ratio	Net Profit	Sales	0.15	0.16	-3.25%	-
(j) Return on capital employed	Earning Before Interest and Tax	Capital Employed	0.22	0.26	-18.62%	-
(k) Return on investment	Profit After Tax	Total Assets	0.15	0.18	-17.09%	-

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

Sd/-
CA Rohit Shah
Partner
Membership No: 034139

Place: Vadodara
Date: 20.05.2023

For & on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388

Sd/-
Krutarth Parikh
CFO

Sd/-
Dipika Rajpal
CS

Place: Vadodara
Date: 20.05.2023

INDEPENDENT AUDITOR'S REPORT

To,
The Members of Chemcrux Enterprises Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **CHEMCRUX ENTERPRISES LIMITED (the "Company")** and its Joint Venture **Kalichem Private Limited (the Joint Venture)** (the Company and its Joint Venture together referred to as "the Group") which comprises the Consolidated Balance sheet **as at 31st March, 2023**, the Consolidated Statement of Profit & Loss and Consolidated Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements")

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance, Shareholder's Information and Other Information included in the Company's Annual Report, but does not include the consolidated financial statements, Consolidated financial statements and our auditor's reports thereon.

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

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

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

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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind As and other accounting principles generally accepted in India, 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.

Other Matters

Consolidation of Interest in the Joint Venture Kalichem Private Limited has been done as per Ind AS-110 "Consolidated Financial Statements" and Indian Accounting Standard (Ind AS) 28 - 'Investments in Associates and Joint Ventures."

We did not audit the standalone financial statements of the Joint Venture. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the Joint Venture is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("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 including Other Comprehensive Income, statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.
- e) On the basis of written representations received from the directors, as on 31st March, 2023, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2023 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) With respect to the matter to be included in the Auditors Report u/s. 197(16) of the Act, in our opinion and according to information and explanations given to us, the remuneration paid by company to its directors is in accordance with the provisions of Section 197 of the Act read with Schedule V in terms of requisite approvals obtained as mandated therein 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) There are no pending litigations.
- (ii) There are no long-term contracts for which there were material foreseeable losses for which provision is required
- (iii) There were no amounts which were required to be transferred to the Investor Protection Fund by the Company.
- (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- (v) The Dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Company and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

Date : 04.08.2023
Place: Vadodara

Sd/-
CA ROHIT SHAH
PARTNER
(M R N : 034139)
UDIN: 23034139BGVPQX7602

APPENDIX A TO INDEPENDENT AUDITORS' 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.

“ANNEXURE – A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirement’s’ section of our report of even date for the year ended 31st March 2023 of Chemcrux Enterprises Limited)

- (i) The Independent Auditors Report being a Report on Consolidated Financial Statements, Paragraph (i) to (xx) of the Order are not applicable.
- (ii) There have been no qualifications or adverse remarks by us as the Auditors of the Company in our report / statement on the matters specified in Paragraph 3 & 4 of the Order. Further, as per the information made available to us, the Order was not applicable to the Joint Venture included in the Consolidated Financial Statements.

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

**Date : 04.08.2023
Place: Vadodara**

Sd/-
**CA ROHIT SHAH
PARTNER
(M R N : 034139)
UDIN: 23034139BGVPQX7602**

“ANNEXURE – B” TO THE INDEPENDENT AUDITOR’S REPORT

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

We have audited the internal financial controls over financial reporting of **CHEMCRUX ENTERPRISES LIMITED** (“the Company”), **as on 31st March, 2023** in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over

financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Date : 04.08.2023
Place: Vadodara

Sd/-
CA ROHIT SHAH
PARTNER
(M R N: 034139)
UDIN: 23034139BGVPQX7602

CHEMCRUX ENTERPRISES LIMITED- CONSOLIDATED BALANCESHEET AS AT 31ST MARCH 2023

(In Lakhs)

	Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
I.	ASSETS				
(1)	Non - current assets				
	(a) Property, Plant and Equipment	4	3,295.99	2,393.70	1,934.79
	(b) Capital Work In Progress	5	198.08	-	32.04
	(c) Investment Property	6	67.78	67.78	67.16
	(d) Right of use assets	7	68.91	81.26	93.60
	(e) Other Intangible assets	8	6.65	5.97	2.20
	(f) Financial assets				
	(i) Investments	9	4.67	4.67	4.67
	(ii) Others	10	303.41	325.76	79.02
	(g) Other non - current assets	11	77.23	15.18	6.85
(2)	Current assets				
	(a) Inventories	12	1,409.07	1,157.17	737.02
	(b) Financial assets				
	(i) Investments	9	1,673.47	703.72	875.30
	(ii) Trade receivables	13	1,343.92	1,887.71	331.32
	(iii) Cash and cash equivalents	14	123.48	1,176.05	260.65
	(iv) Bank balances other than cash and cash equivalents	15	590.68	10.68	10.44
	(v) Others	16	1.31	-	-
	(c) Other current assets	17	742.34	547.25	539.98
	Total Assets		9,907.00	8,376.91	4,975.05
II.	EQUITY AND LIABILITIES				
(1)	Equity				
	(a) Equity Share capital	18	1,480.88	1,480.88	493.63
	(b) Other equity	19	5,159.68	3,987.46	3,582.26
	Liabilities				
(2)	Non - current liabilities				
	(a) Financial liabilities				
	(i) Long Term Borrowings	20	1,231.89	64.03	47.44
	(ii) Lease Liabilities	21	90.59	101.16	109.33
	(iii) Other Financial Liabilities	22	-	-	-
	(b) Provisions	23	-	-	-
	(c) Deferred Tax Liability (net)	24	180.77	127.91	110.06
(3)	Current liabilities				
	(a) Financial liabilities				
	(i) Short Term Borrowings	25	315.89	801.50	45.34
	(ii) Lease Liabilities	21	10.57	8.17	6.10
	(iii) Trade payables	26			
	a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
	b) Total outstanding dues of creditors others than micro enterprises and small enterprises		815.73	1,159.94	200.20
	(iv) Other financial liabilities	23	0.19	0.02	-
	(b) Provisions	24	-	-	-
	(c) Other current liabilities	27	131.77	152.54	80.70
	(d) Current tax liabilities (net)	28	489.01	493.29	300.00
	Total Equity and Liabilities		9,906.98	8,376.91	4,975.05
	The accompanying notes 1 to 63 are an integral part of the financial statement.				
	As per our report of even date attached.				

For R J Shah & Associates
Chartered Accountants
(FRN: 109752 W)
Sd/-
CA Rohit Shah
Partner
Membership No: 034139
Place: Vadodara
Date: 04.08.2023

For & on behalf of the Board of Directors
For Chemcrux Enterprises Limited
Sd/- Sd/-
Girishkumar Shah Sanjay Marathe
Whole-Time Director Managing Director
DIN: 00469291 DIN: 01316388
Sd/-
Krutarth Parikh
CFO Dipika Rajpal
CS
Place: Vadodara Date: 04.08.2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

(In Lakhs)

	Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
I.	Revenue from operations	29	9,515.24	9,527.06
II.	Other income	30	105.21	99.83
III.	Total Income (I+II)		9,620.45	9,626.89
IV.	Expenses:			
	Cost of materials consumed	31	4,763.42	5,220.18
	Purchase of Traded Goods	32	-	-
	Changes in inventories of finished goods, by-products and work in progress	33	(464.33)	(433.15)
	Employee benefits expense	34	791.33	631.69
	Finance costs	35	81.84	16.73
	Depreciation and amortization expense	4,7,8	203.72	158.81
	Other expenses	36	2,279.68	2,037.82
	Total expenses (IV)		7,655.66	7,632.08
V.	Profit before tax (III-IV)		1,964.79	1,994.81
VI.	Tax expense :			
	Current tax		476.26	491.50
	Deferred tax		52.87	17.85
	Income tax relating to earlier years		(0.15)	(0.41)
			528.98	508.94
VII.	Profit for the year		1,435.81	1,485.87
VIII	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss			
	- Defined Benefit Plan		11.79	(0.22)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		2.97	(0.06)
	(iii) Items that will be reclassified to profit or loss			
	-Fair Value Gain on Investments		31.76	7.33
	(iv) Income tax relating to items that will be reclassified to profit or loss		7.99	1.84
	Total other comprehensive income, net of tax		32.59	5.32
IX.	Total comprehensive income for the year		1,468.40	1,491.20
X.	Earnings per equity share (Nominal value per share Rs. 10/-)			
	- Basic (Rs.)		9.70	10.03
	- Diluted (Rs.)		9.70	10.03
	The accompanying notes 1 to 63 are an integral part of the financial statement.			
As per our report of even date attached.				

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

Sd/-
CA Rohit Shah
Partner
Membership No: 034139

Place: Vadodara
Date: 04.08.2023

For & on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291

Sd/-
Krutarth Parikh
CFO
Date: 04.08.2023
Place: Vadodara

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388

Sd/-
Dipika Rajpal
CS

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH, 2023

(In Lakhs)

Sr.	Particulars	Year ended 31st March , 2023	Year ended 31st March , 2022
A.	Cash flow from Operating Activities :		
	<i>Net Profit before Tax & Extra Ordinary Items</i>	1,964.79	1,994.80
	Adjustment for :		
	Depreciation & Write-offs	203.72	158.81
	Loss/(Profit) on Sale of Investments/Assets	-1.68	-3.91
	Bad Debts	-	-
	Interest Expense	81.84	16.73
	Operating Profit before Working Capital Changes	2,248.67	2,166.43
	Adjustments for :		
	(Increase)/Decrease in Trade Receivables	543.79	-1,556.39
	(Increase)/Decrease in Inventories	-251.90	-420.15
	(Increase)/Decrease in Loans & Advances	-1.31	-
	(Increase)/Decrease in other current assets	-195.09	-7.27
	Increase/(Decrease) in Trade Payable	-344.21	959.74
	Increase/(Decrease) in Other Current Liabilities	27.99	283.00
	Increase/(Decrease) in Long term provisions	-	-
	Cash Generated from Operations	2,027.94	1,425.36
	Interest Paid	-	-
	Direct Taxes Paid (Net of Refund)	-528.98	-508.94
	Cash Flow before Extra Ordinary Items	1,498.96	916.43
	Prior Period Items (being cash items)	-	-
	Net Cash Flow from Operating Activities	1,498.96	916.43
B.	Cash flow from Investing Activities		
	Purchase of Fixed Assets	1,116.92	-460.74
	Net Proceeds from Sale of Fixed Assets	5.85	3.97
	Dividend Received	-	-
	Investments	-937.16	175.72
	Net Cash used in Investment Activities	185.61	-281.06
C.	Cash Flow from Financing Activities		
	Interest Paid	-81.84	-16.73
	(Increase)/Decrease in Other Non current Assets	-39.69	-255.07
	Increase/(Decrease) in Short Term Borrowings	-485.61	756.16
	Increase/(Decrease) in Lease Liabilities	-8.17	-6.10
	Increase/(Decrease) in Long Term Borrowings	1,167.86	16.60
	Dividend Paid (incl. Tax Thereon)	-296.18	-98.73
		-	-
	Net Cash used in Financing Activities	256.37	396.13
D.	Net Increase/(Decrease) in Cash and Cash Equivalents	1,940.94	1,031.50
	Cash and Cash Equivalents at beginning of the year		
	Balances with Bank	1,167.48	253.96
	Cash on hand	8.57	6.69
	Deposits with Banks as Margin Money	10.68	10.44
	Cash and Cash Equivalents at the end of the year	123.48	1,176.05
	Deposits with maturity less than 12 months including Deposits with Banks as Margin Money	590.68	10.68
	Cash & Bank balances at the end of the year	3,127.67	1,302.60

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

Sd/-
CA Rohit Shah
Partner
Membership No: 034139

Place: Vadodara
Date: 04.08.2023

For & on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291

Sd/-
Krutarth Parikh
CFO
Place: Vadodara
Date: 04.08.2023

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388

Sd/-
Dipika Rajpal
CS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

(a) Equity Share capital

(In Lakhs)

	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the year ended 31st March, 2021	493.63	-	493.63
For the year ended 31st March, 2022	493.63	987.26	1,480.88
For the year ended 31st March, 2023	1,480.88	-	1,480.88

(b) Other Equity

(In Lakhs)

	Reserves and Surplus			Total
	General Reserve	Securities Premium Reserve	Retained Earnings	
Balance as at 1st April, 2021	-	106.88	3,475.38	3,582.26
Profit for the year	-	-	1,485.87	1,485.87
Other Comprehensive Income (net of tax)	-	-	5.32	5.32
Application for issuance of Bonus Shares	-	(106.88)	(880.38)	(987.26)
Dividends paid including dividend tax thereon	-	-	(98.73)	(98.73)
Balance as at 31st March, 2022	-	-	3,987.46	3,987.46
Balance as on 1st April, 2022	-	-	3,987.46	3,987.46
Profit for the year	-	-	1,435.81	1,435.81
Other Comprehensive Income (net of tax)	-	-	32.59	32.59
Dividends paid including dividend tax thereon	-	-	(296.18)	(296.18)
Balance as at 31st March, 2023	-	-	5,159.68	5,159.68

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

Sd/-
CA Rohit Shah
Partner
Membership No: 034139

Place: Vadodara
Date: 04.08.2023

For & on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388

Sd/-
Krutarth Parikh
CFO

Sd/-
Dipika Rajpal
CS

Place: Vadodara
Date: 04.08.2023

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS ANNEXED THERETO FOR THE YEAR ENDED 31ST MARCH 2023;

1. General Information of the Company:

Chemcrux Enterprises Limited (“the company”) was incorporated in April 1996 to undertake 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 has successfully migrated to the Main Board of the BSE from 5th May, 2022.

2. Basis of Preparation:

a. Statement of Compliance

These financial statements have been prepared on a going concern basis following the accrual basis of accounting in accordance with the Generally accepted Accounting Principles (GAAP) in India (Indian Accounting Standards referred to as “IndAS”) as specified under the section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and relevant amendment rules issued thereafter.

These financial statements are the Company’s first Ind AS financial statements and are covered by Ind AS 101, First time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS has been carried out from the accounting principles generally accepted in India (“Indian GAAP”) which is considered as the “Previous GAAP” for the purpose of Ind AS 101. Under previous GAAP financial statements were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (“Indian GAAP”) and other relevant provisions of the Act as applicable.

b. Basis of Measurement

The financial statements have been prepared on a historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS.

c. Significant accounting judgements, estimates and assumptions

The preparation of the company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

d. Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

i. Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ii. Employee Benefit Plans

The cost of the defined benefit gratuity plan, other post-employment benefits and the present value of the

gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. **Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

iv. **Property, Plant and Equipment**

Useful lives and residual values are determined by the management at the time the asset is acquired and reviewed at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

3. **Significant Accounting Policies:**

3.1 **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realised within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is held primarily for the purpose of trading
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3.2 **Principle of Consolidation and Equity Accounting**

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The Group combines the financial statement of the subsidiaries line by line adding together like items of assets, liabilities, equity, income, and expenses. Inter Group transactions, balances and unrealized gains on transactions between companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. The consolidated financial statements have been prepared in accordance with Indian Accounting

Standard (Ind AS) 110 – ‘Consolidated Financial Statements’ and Indian Accounting Standard (Ind AS) 28 – ‘Investments in Associates and Joint Ventures.’

3.3 Property, Plant & Equipments

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use but are net of tax credits (GST) availed for the relevant element in the cost. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, Plant and Equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Depreciation on property, plant and equipment has been provided using straight line method using rates determined based on management’s assessment of useful economic lives of the asset.

Followings are the estimated useful lives of various category of assets used which are aligned with useful lives defined in schedule II of Companies Act, 2013:

Office Building	30 Years
Factory Building	30 Years
Furniture & Fixture	10 Years
Vehicles	8 Years
Plant & Machinery	15 Years
Office Equipment	5 Years
Computers	3 Years
Pollution Control System	15 Years

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

Derecognition

An item of property, plant and equipment and any significant part initially recognized is de- recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

Capital work-in-progress (CWIP)

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in progress.

Investment property

Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment properties measured initially at cost including related transitions cost and where applicable borrowing cost. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated

with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

The company has decided not to charge any depreciation on such properties.

3.4 Intangible assets

Recognition and Measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to and has sufficient resources to complete development and to use or sell the asset.

Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Subsequent Measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for current and comparative periods are as follows:

Software	10 Years
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3.5 Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Company in return for payment.

The Company as lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that such options would be exercised.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the

shorter of lease term or useful life of right-of-use asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of profit and loss in the period in which the events or conditions which trigger those payments occur.

In a sale and lease back transaction, the Company measures right-of-use asset arising from the leaseback as the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The gain or loss that the company recognises in the statement of profit and loss is limited to the proportion of the total gain or loss that relates to the rights transferred to the buyer.

The Company as lessor

Operating lease:

Rental income from operating leases is recognised in the statement of profit and loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight-line basis over the lease term.

Finance lease

When assets are leased out under a finance lease, the present value of minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

3.6 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.7 Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in respective expense.

Contingent Liabilities and Contingent Assets

Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

3.8 Income Tax

Current Tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the

Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in Balance Sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

3.9 Employee Benefits

Short-term Employee Benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans

Defined Contribution Plans:

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employees render the related services.

Defined Benefit Plans:

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme is a defined benefit plan. The Company recognises the defined benefit liability in Balance sheet. The present value of the obligation under such defined benefit plan and the related current service cost and, where applicable past service cost is determined based on an actuarial valuation done using the Projected Unit Credit Method by an independent actuary, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) is reflected immediately in Other Comprehensive Income in the Statement of Profit and loss. All other expenses related to defined benefit plans are recognised in Statement of Profit and Loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to Statement of Profit and Loss hence it is treated as part of retained earnings in the Statement of Changes in Equity.

3.10 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or Liability
- ▶ The principal or the most advantageous market must be accessible to/ by the Company

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- ▶ Debt instruments at amortised cost
- ▶ Debt instruments at fair value through other comprehensive income (FVTOCI)
- ▶ Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- ▶ Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- ▶ The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ▶ Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation and losses arising from impairment are recognised in the Statement of Profit & Loss. The amortised cost of the financial asset is also adjusted for loss allowance, if any.

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Company has not designated any such debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- ▶ Financial assets that are debt instruments, and are measured at amortised cost e. g. Loans and trade receivables.
- ▶ The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities

Initial recognition and measurement:

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial liabilities are initially measured at fair value deducted by, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Subsequent measurement:

Financial liabilities are classified as measured at amortised cost using the effective interest method. The Company's financial liabilities include trade payables, borrowings and other financial liabilities.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as expense over the relevant period of the financial liability in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

3.12 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.13 Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

3.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is ascertained on a weighted average basis. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Raw Materials are valued on FIFO basis. Finished goods produced by the company are valued at lower of cost or net realizable value. Semi-Finished goods have been valued at lower of Raw Material cost, direct labour and appropriate proportion of variable and fixed overheads, latter being allocated based on normal operating capacity or net realizable value. Stock of goods purchased for resale purposes are valued at their acquisition cost inclusive of all duties and taxes or Net Realizable Value whichever is lower.

Provisions are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.

3.15 Foreign currency

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date.

Exchange differences arising on settlement of transactions and translation of monetary items are recognized in the statement of Profit or Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

3.16 Revenue Recognition

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. Sale of products include related ancillary services, if any.

Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts.

Sales are disclosed excluding net of sales returns and Goods and Service Tax (GST).

Sale of Scrap

Revenue from sale of scrap is recognized as and when scrap is sold.

Other income

Interest Income is recognized on a time proportionate basis including interest accrued based on the amount outstanding and rate applicable and shown under "Other Income".

Export Benefits

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption. The benefits accrued under the duty drawback scheme and Merchandise Export from India Scheme (MEIS) as per the Import and export Policy in respect of exports under the said scheme are recognized when there is a reasonable assurance that the benefit will be received and the company will comply with all attached conditions. The above benefits have been included under the head 'Export Incentives.'

Dividend income

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims:

Insurance claims are accounted on accrual basis when there is reasonable certainty of realisability of the claim amount.

Commission Income:

Income on account of commission is accounted on accrual basis based on the Terms of Agreement.

3.17 Earnings Per Share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares.

3.18 Dividends

Any dividend declared by Chemcrux Enterprises Limited is based on the profits available for distribution as reported in the statutory financial statements of Chemcrux Enterprises Limited (standalone) prepared in accordance with Generally Accepted Accounting Principles in India or Indian GAAP or Ind AS. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial

year(s) as stated in the statutory financial statements of Chemcrux Enterprises Limited (Consolidated) prepared in accordance with Generally Accepted Accounting Principles in India, or Ind AS after providing for depreciation in accordance with the provisions of Schedule II to the Companies Act.

However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014. Accordingly, in certain years the net income reported in these financial statements may not be fully distributable.

3.19 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.20 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets up to the assets are substantially ready for their intended use. The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised in the year in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.21 Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

3.22 Segment Reporting

With respect (Ind AS - 108 Segment Reporting), 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 business of manufacturing and processing of Bulk Drug Intermediates and its related products belong to one business segment only.

3.23 Government grants

Government grants are recognised at its fair value, where there is a reasonable assurance that such grants will be received and compliance with the conditions attached therewith have been met.

Government grants related to expenditure on property, plant and equipment are credited to the statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received. Grants received less amounts credited to the statement of profit and loss at the reporting date are included in the balance sheet as deferred income.

3.24 GST Input Credit

Goods and service tax (GST) input credit is accounted on an accrual basis on purchase of eligible inputs, capital goods and services. The balance of GST input credit is reviewed at the end of each year and amount estimated to be un- utilizable is charged to the statement profit and Loss for the year.

3.25 Transition to Ind AS

As stated in note 2(a), the Company's financial statements for the year ended March 31, 2023 are the first annual financial statements prepared in compliance with Ind AS.

The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 01, 2021 as the transition date. Ind AS 101 requires that all Ind AS standards that are effective for the first Ind AS Financial Statements for the year ended March 31, 2023, be applied consistently and retrospectively for all fiscal years presented.

All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and previous GAAP as of the Transition Date have been recognised directly in equity at the Transition Date.

In preparing these financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101 as explained below:

Exemptions from retrospective application

The Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value of all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (April 01, 2020)

3.26 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the company's functional currency. All amounts have been rounded-off to the nearest lakhs, as per the requirements of Schedule III, unless otherwise stated.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

4 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS: TANGIBLE ASSETS

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 1 st April, 2022	Additions During the year	Adjustment / Deduction during the year	As at 31 st March, 2023	Upto 1 st April, 2022	During the year	Adjustment with Retained Earnings during the year	Adjustment /Deduction During the year	Upto 31 st March, 2023	As at 31 st March, 2023
	Tangible Assets										
1	Land	312.68	11.89	-	324.57	-	-	-	-	-	324.57
2	GIDC Quarter	-	-	-	-	-	-	-	-	-	-
3	Factory Building	866.16	370.83	-	1,236.99	102.53	33.23	-	0.30	136.07	1,100.92
4	Office Premises	19.63	-	-	19.63	6.22	-	-	-	6.22	13.40
5	Furniture & Fixtures	20.09	2.10	-	22.19	8.39	2.86	-	-	11.25	10.94
6	Computer	19.75	2.67	-	22.41	17.02	1.76	-	-	18.78	3.63
7	Motor Car	1,433.99	17.54	8.82	1,442.71	17.96	8.04	-	5.81	20.19	1,422.52
8	Office Equipment	22.48	11.67	-	34.15	15.86	3.13	-	-	18.99	15.16
9	Plant & Machinery	425.34	680.71	14.05	1,092.01	607.98	136.05	-	7.36	736.67	355.34
10	Pollution Control System	86.00	-	3.32	89.32	36.44	5.87	-	2.50	39.82	49.51
	Total	3,206.11	1,097.41	19.54	4,283.98	812.41	190.95	-	15.37	987.99	3,295.99

	Particulars	As at 1 st April, 2021	Additions During the year	Adjustment / Deduction during the year	As at 31st March, 2022	Upto 1st April, 2021	During the year	Adjustment with Retained Earnings during the year	Adjustment /Deduction During the year	Upto 31st March, 2022	As at 31st March, 2022
	Tangible Assets										
1	Land	201.31	111.37	-	312.68	-	-	-	-	-	312.68
2	GIDC Quarter	1.83	-	1.83	-	0.64	-	-	0.64	-	-
3	Factory Building	771.53	94.62	-	866.16	77.37	25.20	-	0.03	102.53	763.62
4	Office Premises	19.63	-	-	19.63	6.18	0.01	-	0.03	6.22	13.40
5	Furniture & Fixtures	6.67	13.42	-	20.09	6.59	1.79	-	-	8.39	11.70
6	Computer	18.35	1.40	-	19.75	15.36	1.66	-	-	17.02	2.73
7	Motor Car	1,430.12	27.63	23.76	1,433.99	26.13	7.51	-	15.68	17.96	1,416.02
8	Office Equipment	18.49	3.99	-	22.48	13.43	2.43	-	-	15.86	6.62
9	Plant & Machinery	64.35	360.99	-	425.34	506.99	100.98	-	-	607.98	182.63
10	Pollution Control System	86.00	-	-	86.00	30.79	5.66	-	-	36.44	49.55
		2,618.28	613.43	25.60	3,206.11	683.49	145.25	-	16.32	812.41	2,393.70
	Particulars	As at 1 st April, 2020	Additions During the year	Adjustment / Deduction during the year	As at 31st March, 2021	Upto 1st April, 2020	During the year	Adjustment with Retained Earnings during the year	Adjustment /Deduction During the year	Upto 31st March, 2021	As at 31st March, 2021
	Tangible Assets										
1	Land	201.31	-	-	201.31	-	-	-	-	-	201.31
2	GIDC Quarter	1.83	-	-	1.83	0.64	-	-	-	0.64	1.19
3	Factory Building	420.29	351.24	-	771.53	59.40	17.97	-	-	77.37	694.17
4	Office Equipment	18.88	0.75	-	19.63	11.05	2.37	-	-	13.43	6.20
5	Office Premises	6.67	-	-	6.67	6.18	-	-	-	6.18	0.49
6	Furniture & Fixtures	18.27	0.08	-	18.35	5.14	1.46	-	-	6.59	11.75
7	Plant & Machinery	1,278.00	152.11	-	1,430.12	423.24	83.76	-	-	506.99	923.12
8	Computer	15.78	2.71	-	18.49	15.16	0.20	-	-	15.36	3.13
9	Motor Car	64.35	-	-	64.35	19.16	6.97	-	-	26.13	38.22
10	Pollution Control System	76.00	10.00	-	86.00	25.97	4.82	-	-	30.79	55.21
		2,101.39	516.89	-	2,618.28	565.94	117.55	-	-	683.49	1,934.79

5 CAPITAL WORK IN PROGRESS:

(In Lakhs)

	Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
1	Projects Work In Progress			
	- less than 6 months	198.08	-	32.04
	- 1 year to 2 years	-	-	-
	- 2 year to 3 years	-	-	-
	- More than 3 years	-	-	-
		198.08	-	32.04
2	Projects Temporarily Suspended			
	- less than 6 months	-	-	-
	- 1 year to 2 years	-	-	-
	- 2 year to 3 years	-	-	-
	- More than 3 years	-	-	-
		-	-	-
	Total	198.08	-	32.04

6 INVESTMENT PROPERTY:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				AMORTISATION					NET BLOCK
		As at 1 st April, 2022	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	During the year	Adjustment with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
1	Office Premises at GIFT City, Gandhinagar	67.8	-	-	67.8	-	-	-	-	-	67.8
		67.8	-	-	67.8	-	-	-	-	-	67.8
	Particulars	As at 1 st April, 2021	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2022	As at 1 st April, 2021	During the year	Adjustment with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2022	As at 31st March, 2022
1	Office Premises at GIFT City, Gandhinagar	67.2	0.6	-	67.8	-	-	-	-	-	67.8
		67.2	0.6	-	67.8	-	-	-	-	-	67.8
	Particulars	As at 1 st April, 2020	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2021	As at 1 st April, 2020	During the year	Adjustment with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2021	As at 31st March, 2021
1	Office Premises at GIFT City, Gandhinagar	67.2	-	-	67.2	-	-	-	-	-	67.2
		67.2	-	-	67.2	-	-	-	-	-	67.2

7 RIGHT OF USE ASSETS:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				AMORTISATION					NET BLOCK
		As at 1 st April, 2022	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	During the year	Adjustment with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
1	Right to Use of Asset	123.4	-	-	123.4	42.2	12.3	-	-	54.5	68.9
		123.4	-	-	123.4	42.2	12.3	-	-	54.5	68.9
	Particulars	As at 1 st April, 2021	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2022	As at 1 st April, 2021	During the year	Adjustment with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2022	As at 31st March, 2022
1	Right to Use of Asset	123.4	-	-	123.4	29.8	12.3	-	-	42.2	81.3
		123.4	-	-	123.4	29.8	12.3	-	-	42.2	81.3
	Particulars	As at 1 st April, 2020	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2021	As at 1 st April, 2020	During the year	Adjustment with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2021	As at 31st March, 2021
1	Right to Use of Asset	123.4	-	-	123.4	17.5	12.3	-	-	29.8	93.6
		123.4	-	-	123.4	17.5	12.3	-	-	29.8	93.6

8 INTANGIBLE ASSETS:

(In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK	
		As at 1 st April, 2022	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2023	As at 1 st April, 2022	During the year	Adjustment with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2023	As at 31st March, 2023
1	Computer Software	4.78	1.10	-	5.88	3.81	0.43	-	-	4.23	1.65
2	Goodwill	5.00	-	-	5.00	-	-	-	-	-	5.00
		9.78	1.10	-	10.88	3.81	0.43	-	-	4.23	6.65
	Particulars	As at 1 st April, 2021	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2022	As at 1 st April, 2021	During the year	Adjustment with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2022	As at 31st March, 2022
1	Computer Software	4.78	-	-	4.78	2.58	1.22	-	-	3.81	0.97
2	Goodwill	-	5.00	-	5.00	-	-	-	-	-	5.00
		4.78	5.00	-	9.78	2.58	1.22	-	-	3.81	5.97
	Particulars	As at 1 st April, 2020	Additions During the Year	Adjustment/ Deduction during the Year	As at 31st March, 2021	As at 1 st April, 2020	During the year	Adjustment with Retained Earnings during the year	Adjustment / Deduction During the year	Upto 31st March, 2021	As at 31st March, 2021
1	Computer Software	5	-	-	5	-	3	-	-	3	2
		5	-	-	5	-	3	-	-	3	2

9 INVESTMENTS:

(In Lakhs)

Particulars	Face Value	As at 31st March, 2023		As at 31st March, 2022		As at 31st March, 2021	
		Units	Rs.	Units	Rs.	Units	Rs.
Non-Current							
Investment in Equity Instruments (At Cost)							
In Joint Venture							
Kalichem Private Limited	-	-	-	-	-	-	-
In Others							
Narmada Cleartech Ltd (Previously known as Bharuch Eco-Acqua Inf. Ltd)	10	0.37	3.67	0.37	3.67	0.37	3.67
Ankleshwar Research & Analytical Infrastructure Ltd.	10	0.10	1.00	0.10	1.00	0.10	1.00
Total			4.67		4.67		4.67
Current							
Investment in Mutual Funds (At fair value through OCI)							
Quoted, Non Trade							
UTI Money Market Fund		0.64	1,673.47	0.28	703.72	0.15	359.35
UTI Liquid Cash Plan		-	-	-	-	0.15	515.95
Total			1,673.47		703.72		875.30
			1,678.14		708.39		879.97

10 OTHER FINANCIAL ASSETS - NON-CURRENT (UNSECURED, CONSIDERED GOOD):

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Security deposits	163.41	131.29	78.92
Fixed deposits with banks (maturity on or above 12 months)	-	0.10	0.10
Loans To Related Party	140.00	62.50	-
(Repayable in 48 monthly instalments after completion of moratorium of 36 months during which only interest is payable at rate of interest that is reasonable and is prevalent in the market.)			
Advances	-	131.87	-
Total	303.41	325.76	79.02

11 OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD):

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Employee Gratuity Scheme	11.55	8.94	6.85
Pre Operative Expenses		6.15	
Preliminary expenses to the extent not written off	0.28	0.10	
Advance recoverable in cash or kind for value to be received Unsecured, Considered good :			
Capital Advances	65.39		
Total	77.23	15.18	6.85

12 INVENTORIES:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Raw materials	205.43	417.86	430.85
Stores and Spares	2.93	3.00	3.00
Work-in-progress	425.79	214.15	249.96
Finished goods	774.92	522.17	53.20
Total	1,409.07	1,157.17	737.02

(At lower of cost and net realizable value, unless stated otherwise)

13 TRADE RECEIVABLES – CURRENT:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
<u>Unsecured, considered good</u>			
Due from related parties	-	-	-
Due from others	1,343.92	1,887.71	331.32
Less: Impairment Allowance	-	-	-
Total Trade Receivables	1,343.92	1,887.71	331.32
TRADE RECEIVABLES AGEING SCHEDULE			
<u>Undisputed Trade Receivables, considered good</u>			
- less than 6 months	1,306.86	1,886.88	324.43
- 6 months to 1 year	31.47	0.20	5.06
- 1 year to 2 years	3.24	0.03	-
- 2 year to 3 years	0.03	0.60	0.88
- More than 3 years	2.31	-	0.96
Total	1,343.92	1,887.71	331.32
<u>Undisputed Trade Receivables, which have significant increase in credit risk</u>			
- not yet due	-	-	-
- less than 6 months	-	-	-
- 6 months to 1 year	-	-	-
- 1 year to 2 years	-	-	-
- 2 year to 3 years	-	-	-
- More than 3 years	-	-	-
Total	-	-	-

<u>Undisputed Trade Receivables, credit impaired</u>				
- not yet due		-	-	-
- less than 6 months		-	-	-
- 6 months to 1 year		-	-	-
- 1 year to 2 years		-	-	-
- 2 year to 3 years		-	-	-
- More than 3 years		-	-	-
Total		-	-	-
<u>Disputed Trade Receivables, considered good</u>				
- not yet due		-	-	-
- less than 6 months		-	-	-
- 6 months to 1 year		-	-	-
- 1 year to 2 years		-	-	-
- 2 year to 3 years		-	-	-
- More than 3 years		-	-	-
Total		-	-	-
<u>Disputed Trade Receivables, which have significant</u>				
- not yet due		-	-	-
- less than 6 months		-	-	-
- 6 months to 1 year		-	-	-
- 1 year to 2 years		-	-	-
- 2 year to 3 years		-	-	-
- More than 3 years		-	-	-
Total		-	-	-
<u>Disputed Trade Receivables, credit impaired</u>				
- not yet due		-	-	-
- less than 6 months		-	-	-
- 6 months to 1 year		-	-	-
- 1 year to 2 years		-	-	-
- 2 year to 3 years		-	-	-
- More than 3 years		-	-	-
Total		-	-	-
Total		1,343.92	1,887.71	331.32

14 CASH AND CASH EQUIVALENTS:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
	Balances with banks			
	- In current accounts	120.49	1,167.30	253.90
	- Balances held in unpaid dividend accounts	0.37	0.19	0.06
	Cash on hand	2.62	8.57	6.69
	Total	123.48	1,176.05	260.65

15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
	Other Bank Balances			
	- Deposits held as Margin Money	10.68	10.68	10.44
	- Other Fixed Deposits with Bank (Less than 12 Months)	580.00	-	-
	Total	590.68	10.68	10.44

16 OTHER FINANCIAL ASSETS – CURRENT:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
	Earnest Money Deposit and Others	-	-	-
	Accrued Interest Income	1.31	-	-
	Total	1.31	-	-

17 OTHER CURRENT ASSETS:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
	(Unsecured, considered good)			
	- Advances to Suppliers	289.70	4.64	60.19
	- Prepaid expenses	15.03	12.94	8.14
	- Balances with government authorities	35.84	46.65	53.58
	- Other Advances	15.52	21.30	44.34
	- Advance Income taxes and refunds receivable	370.91	443.82	353.19
	- Advances to Staff	15.33	17.91	20.55
	Total	742.34	547.25	539.98

18 EQUITY SHARE CAPITAL:

(In Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
(a) Authorised						
Equity shares of par value Rs 10/- each	150.00	1,500.00	150.00	1,500.00	60.00	600.00
	150.00	1,500.00	150.00	1,500.00	60.00	600.00
(b) Issued, subscribed and fully paid up						
Equity shares of par value Rs 10/- each at the beginning of the year	148.09	1,480.88	49.36	493.63	49.36	493.63
Changes during the year	-	-	98.73	987.26	-	-
At the end of the year	148.09	1,480.88	148.09	1,480.88	49.36	493.63

(In Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
(c) Reconciliation of Number of Shares						
Shares at the beginning of the year	148.09	1,480.88	49.36	493.63	49.36	493.63
Add: Bonus Shares issued	-	-	98.73	987.26	-	-
Shares at the close of the year	148.09	1,480.88	148.09	1,480.88	49.36	493.63

The Company has not issued any shares for a consideration other than cash during the period of five years immediately preceding the reporting date except 98,72,560 bonus shares issued during FY 2021-22.

- The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The holders of Equity Shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- Details of shares held by promoters and others (others being shareholders holding more than 5% of the aggregate shares in the company)**

<i>Name of shareholder</i>	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Promoters' Group:						
Girish C Shah	54.00	36.47	54.00	36.47	18.00	36.47
Sanjay Y Marathe	54.00	36.47	54.00	36.47	18.00	36.47
Other than Promoters (Shareholders holding more than 5%)	-	-	-	-	-	-

19 OTHER EQUITY:

(In Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
(a) Retained earnings						
Balance as per Last Account	3,982.14		3,475.38		2,640.74	
Add : Surplus as per Statement of Profit and Loss	1,435.81		1,485.87		893.36	
Add : Impact of Ind AS 116					(21.83)	
Add : Increase in fair value of investments					12.47	
Amount available for appropriation	5,417.95		4,961.24		3,524.74	
Less : Appropriations:						
Dividend on equity shares	296.18		98.73		49.36	
Utilized for issuance of Bonus Shares	-		880.38		-	
Transfer to general reserve	-		-		-	
Balance at the end of the year		5,121.77		3,982.14		3,475.38
(b) Securities Premium Reserve						
Balance as per last account	-		106.88		106.88	
Add: Securities Premium received during the year	-		-		-	
Less: Utilised For issuance of Bonus Shares			106.88			
Balance at the end of the year		-		-		106.88
(c) Other Comprehensive Income (OCI)						
Balance as per Last Account	5.32		-		-	
Add: Other comprehensive income for the year	32.59		5.32		-	
Less: Transfer to retained earnings						
Balance at the end of the year		37.90		5.32		-
Total other equity		5,159.68		3,987.46		3,582.26

20 NON-CURRENT FINANCIAL LIABILITY:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Long Term Borrowings			
Secured Loans			
From Bank (Repayable in 84 monthly instalments from March 23 having moratorium period of 13 month during which only interest payable and from April 24 both interest and prinipal payable.)	1,025.64	-	35.38
From AU Small Finance Bank (Repayable in 96 monthly installment with moratorium period of 12 month. with monthly installment of Rs. 21.45 Lacs each starting from following month of moratorium perod)	57.05	-	
From NBFC	-	-	1.50
	1,082.69		36.88
Unsecured Loans			
Loan from Directors	-	-	10.55
Loan from Joint Venturer (Mutual Owing of Rs 1,43,20,411 (PY: 64,03,745) Eliminated)	149.20	64.03	
	149.20	64.03	10.55
Total	1,231.89	64.03	47.44

Balances of Term Loans from Kotak Mahindra Bank Ltd include:

Term Loans from Kotak Mahindra Bank were secured against all existing and future receivables, current assets and movable property plant and equipments. Rate of Interest is RPRR 6.25% (as per latest sanction) + 2.75% (spread) i.e., 9.00%. The company has been given a 12-month moratorium. Only interest will be paid during the moratorium period and principal will begin in March 2024.

The above facilities were 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.

21 LEASE LIABILITIES:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
NON CURRENT			
Lease Liability Payable beyond 12 months	90.59	101.16	109.33
CURRENT			
Lease Liability Payable within 12 months	10.57	8.17	6.10
Total Lease Liabilities	101.16	109.33	115.43
The Movement in Lease liabilities is as follows:			
Balance as at beginning of the year	109.33	115.43	119.74
Add: Addition			-
Accretion of interest	8.47	9.03	9.44
Less: Payments	16.64	15.13	13.75
Closing balance as at 31st March	101.16	109.33	115.43

22 OTHER FINANCIAL LIABILITIES:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
NON CURRENT	-	-	-
Total Non Current Other Financial Liabilities	-	-	-
CURRENT			
Unpaid Dividends	0.19	0.02	-
Security Deposits	-	-	-
Other Expenses Payable	-	-	-
Total	0.19	0.02	-

23 PROVISIONS:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
NON CURRENT			
Provision for Employee Benefits:			
- Provision for Gratuity	- 11.54	- 8.93	- 6.85
Total Non Current Provisions			
CURRENT			
Provision for Employee Benefits:			
- Provision for Leave Encashment			
Provision for Others			
Total Current Provisions			

Notes:

- i. 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 20 lakhs. 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.

Method Used	Projected Unit Credit Method
Actuarial Assumptions Used	LIC (1994-96)
Mortality Rate	
Discount Rate	7.00%
Expected Return on Plan Assets	8.00%
Salary Escalation Rate	7.00%

Major Categories of Plan Assets

Insurer Managed Funds – 100%

Change in Present Value of Defined Benefit Obligation	31st, March 2023	31st, March 2022	31st, March 2021
Present Value of Obligations as at the beginning of the Year	170.56	164.60	141.97
Interest Cost	12.51	11.52	10.29
Current Service Cost	9.23	9.05	7.81
Benefits Paid	(13.64)	(14.85)	(4.81)
Actuarial (gains) / losses on obligation	(11.79)	0.22	9.34
Present Value of Obligations as at the end of the Year	166.88	170.56	164.60
Change in Fair Value of Plan Assets			
Fair Value of Plan Assets as at the beginning of the Year	179.48	171.45	146.99
Expected Return on Plan Assets	12.23	12.01	10.68
Contributions	0.35	10.87	18.59
Benefits Paid	(13.64)	(14.85)	(4.81)
Actuarial (gains) / losses on Plan Assets		NIL	NIL
Fair Value of Plan Assets as at the end of the Year	178.42	179.48	171.45
Defined Benefit Obligation as recognized in Balance Sheet			
Present Value of Obligations as at the Year end	166.88	170.56	164.60
Unrecognised Past Service Cost	-	-	-
Fair Value of Plan Assets as at the Year end	178.42	179.48	171.45
Net (Asset) / Liability recognized in Balance Sheet	(11.54)	(8.93)	(6.85)
Net Gratuity Benefit Expenditure Recognised in P&L Account			
Current Service Cost	9.23	9.05	7.81
Interest Cost	12.51	11.52	10.29
Expected Return on Plan Assets	(12.23)	(12.01)	(10.68)
Net Actuarial (Gain) / Loss Recognised in the Year	(11.79)	0.22	9.34
Net Expense Recognised in Statement of Profit & loss	(2.27)	8.80	16.76

The estimates of rate escalation in salary is considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2022-23.

The plan typically exposes the Company to actuarial risks such as: interest rate risk, liquidity risk, salary escalation risk and regulatory risk.

Interest Rate Risk:

The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:

This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs (e.g., Increase in the maximum limit on gratuity of Rs. 10,00,000)

24 DEFERRED TAX ASSETS/LIABILITY (NET):

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Deferred Tax Asset	-	-	-
Deferred Tax Liabilities	180.77	127.91	110.06
Total	180.77	127.91	110.06

DEFERRED TAX (ASSET)/LIABILITIES IN RELATION TO:

(In Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Opening balance			
Loss allowances on trade receivables (Expected Credit Loss)	-	-	-
Non deductible expenses for tax purpose	-	-	-
Property, plant and equipment	127.91	110.06	98.90
Investments carried at FVTPL	-	-	-
Total	127.91	110.06	98.90
Recognised in Profit or loss			
Loss allowances on trade receivables (Expected Credit Loss)	-	-	-
Non deductible expenses for tax purpose	-	-	-
Property, plant and equipment	52.87	17.85	11.16
Investments carried at FVTPL	-	-	-
Total	52.87	17.85	11.16
Recognised in Other comprehensive income			
Investments carried at FVTOCI	-	-	-
Remeasurement of Defined benefit plans (OCI)	-	-	-
Total	-	-	-
Closing balance	180.77	127.91	110.06
Loss allowances on trade receivables (Expected Credit Loss)	-	-	-
Non deductible expenses for tax purpose	-	-	-
Property, plant and equipment	180.77	127.91	110.06
Investments carried at FVTOCI	-	-	-
Remeasurement of Defined benefit plans (OCI)	-	-	-

25 SHORT - TERM BORROWINGS:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
SECURED			
Short Term Term Loan	-	800.00	-
Cash Credit Facility	301.24	-	-
Current Maturities of Long Term Debts			
- Kotak Mahindra Prime Ltd Car Loan (Instalments due within one	14.65	1.50	45.34
Total	315.89	801.50	45.34

The Company has obtained sanction of Cash Credit Limits of Rs 500 Lacs against First and Exclusive Charges on all existing and future current assets. The Facilities are further secured by way of mortgage of immovable property of the Company as a Collateral as well as personal guarantees of the two directors i.e., Girish Shah and Sanjay Marathe. The applicable Rate of Interest is RPRR 6.25% (as per latest sanction) + 2.75% (spread) i.e., 9.00%.

26 TRADE PAYABLES – CURRENT:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Total outstanding dues of creditors			
Creditors for goods	635.30	996.11	84.92
Creditors for services	180.43	163.83	115.27
	815.73	1,159.94	200.20
Sundry Creditors are as per books and have not been corroborated by circulation / confirmation of balances.			
TRADE PAYABLES AGEING SCHEDULE(Outstanding for following periods from due date of payment)			
Micro and small enterprises			
- less than 1 year	-	-	-
- 1 year to 2 years	-	-	-
- 2 year to 3 years	-	-	-
- More than 3 years	-	-	-
	-	-	-
OTHERS			
- less than 1 year	815.73	1,144.49	197.24
- 1 year to 2 years	-	15.30	2.96
- 2 year to 3 years	-	-	-
- More than 3 years	-	-	-
Total	815.73	1,159.79	200.20

NOTE: Refer Note No.51 for Dues to Micro and Small Enterprises

Dues to Micro and Small Enterprises:

With reference to amounts shown as payable to Micro, Small and Medium Enterprises, the information has been compiled in respect of parties to the extent they could be identified as Micro, Small and Medium Enterprises on the basis of information collected and available with the Company and same has been relied upon by the auditors. The Company deals with various Micro Small and Medium Enterprises on mutually accepted terms and conditions.

27 OTHER CURRENT LIABILITIES

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Advance's from Customers	-	-	-
Statutory Liabilities	17.56	32.30	8.48
Others Current Liability	114.22	120.25	72.23
Total	131.77	152.54	80.70

28 CURRENT TAX LIABILITIES (NET):

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
Provision for Current Taxation	489.01	493.29	300.00
Total	489.01	493.29	300.00

29 REVENUE FROM OPERATIONS:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Sale Of Goods		
	- Domestic Sales	6,183.33	5,929.08
	- Export Sales	1,893.37	2,272.16
	Other Operating Revenues		
	- Job Work	1,438.54	1,325.81
	Total	9,515.24	9,527.06

30 OTHER INCOME:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Interest Income		
	Fixed Deposits With Banks	0.59	0.91
	Income tax Refunds	2.40	-
	Interest On Advances	5.32	1.99
	Interest on Deposits	20.49	6.25
	Dividend Income	-	0.00
	Net Gain on Sale of Investments	37.99	21.06
	Duty Drawback / Advance License /MEIS License	11.74	39.66
	Other Non- Operating Income	-	-
	Profit On Sales Of Asset	1.68	3.91
	Miscellaneous Income	5.84	3.42
	Exchange rate difference	19.16	22.63
	Total	105.21	99.83

31 COST OF MATERIAL CONSUMED:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Raw Material		
	Balance as per last account	417.86	430.85
	Add: Purchases during the year	4,369.04	4,994.49
	Less: Balance at the end of the year	205.43	417.86
	TOTAL (A)	4,581.47	5,007.49
	Packing Material	29.86	25.59
	TOTAL (B)	29.86	25.59
	Consumable Stores and Spares Consumed (C)	152.09	187.10
	Total Consumption (A+B+C)	4,763.42	5,220.18

32 PURCHASE OF TRADED GOODS:

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Purchases	-	-
		-	-

33 CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS & STOCK-IN-TRADE:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	(Increase)/ Decrease in Stocks		
	Stock at the end of the Year:		
	Finished Goods	774.92	522.17
	Stores & Spares	2.93	3.00
	Work In Progress	425.79	214.15
	TOTAL(A)	1,203.64	739.31
	Less: Stock at the Beginning of the year:		
	Finished Goods	522.17	53.20
	Stores & Spares	3.00	3.00
	Work In Progress	214.15	249.96
	TOTAL(B)	739.31	306.16
	TOTAL (B-A)	(464.33)	(433.15)

34 EMPLOYEE BENEFIT EXPENSES:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Salaries, Wages and Bonus & other allowances	686.88	573.89
	Contributions to Provident Fund and Other Funds	32.18	36.22
	Gratuity Expenses	(2.27)	8.79
	Staff Welfare Expenses	74.54	12.80
	Total	791.33	631.69

35 FINANCE COSTS:

(In Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Interest Expenses on Borrowings	37.00	4.74
	Bank charges & Others	17.17	2.95
	Finance Charges on Lease Liability	8.47	9.03
	Discount Charges	19.20	-
	Total	81.84	16.73

36 OTHER EXPENSES:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Power and Fuel	665.62	512.47
Labour Charges	121.41	122.27
Freight Inward, Octroi & Transportation	59.57	47.21
Other Factory Expense	681.59	565.73
Repairs & Maintenance: Building	24.80	24.14
Repairs & Maintenance: Plant & Machinery	204.63	209.26
Office & General Administration Expenses	14.44	11.71
Directors sitting fees	1.76	0.82
Reserch & Development Exp	-	12.14
Rent, Rates and Taxes	6.61	2.46
Insurance	49.21	33.08
Legal and Professional Fees	66.50	69.97
Security charges	28.43	16.76
Payments to Auditors (Please refer note 48)	1.00	1.00
Travelling Expense	13.36	5.24
Commission & Brokerage	5.90	26.64
Donation	0.31	0.11
Vehicle Exp	7.78	6.74
Custom Clearing Charges for Exports	53.92	89.93
Advertisement Exp	5.28	2.01
Packing & Forwarding Exp	229.43	206.66
CSR Activity	30.93	26.37
GPCB Penalty	7.20	50.00
Total	2,279.68	2,037.82

37 OTHER COMPREHENSIVE INCOME:

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Items that will not be reclassified to profit or loss		
Defined Benefit Plan on Gratuity	11.79	(0.22)
Income tax relating to items that will not be reclassified to profit or loss	2.97	(0.06)
(ii) Items that will be reclassified to profit or loss		
Fair Value Gain on Investments	31.76	7.33
Less: Income tax relating to items that will not be reclassified to profit or loss	7.99	1.84
	32.59	5.32

38 C.I. F. VALUE OF IMPORTS:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Raw Materials	1,495.31	1,144.77	817.43
Total	1,495.31	1,144.77	817.43

39 EXPENDITURE IN FOREIGN CURRENCY:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Travelling Expense	8.73	2.42	-
Professional Fees	0.57	-	-
Total	9.30	2.42	-

40 Sundry Creditors and Sundry Debtors are as per books and have not been corroborated by circulation / confirmation of balances / reconciliation of accounts. Confirmations of parties concerned, for the amount receivable / due to them as per accounts of the company, are under process of reconciliation and adjustments required, if any, will be made as and when the accounts are settled.

41 In the opinion of the Board, the Current Assets, Loans and Advances which are considered good are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business. Further, in the opinion of the Board, provision of all known liabilities has been adequately made in the accounts.

42 Company has used the borrowing from Bank for the specific purpose for which it was taken at Balance sheet date.

43 CONTINGENT LIABILITIES AND COMMITMENTS:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Contingent Liabilities			
Claims against the Company not acknowledged as debt			
Guarantees (Bank Guarantee)	7.50	-	-
Total	7.50	-	-
Commitments			
Estimated amounts of contracts remaining to be executed on capital account and not provided for			
Uncalled liability on shares or investments partly paid			
Other Commitments			
Total	-	-	-

44 EARNINGS IN FOREIGN CURRENCY:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Country wise Breakup of Export Goods			
- Germany	451.27	637.22	367.42
- Italy	92.70	39.88	-
- Belgium	210.08	521.96	494.95
- United Kingdom	4.88	4.76	-
- Hong Kong	2.99	-	51.45
- China	69.12	-	145.93
- USA	1.43	-	-
Total	832.47	1,203.81	1,059.74

45 LEASE COMMITMENTS:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Amortisation of Right to use Assets	12.34	12.34	12.34
Interest charges on Lease Liability ROU	8.47	9.03	9.44
Total	20.81	21.37	21.78

46 PARTICULARS OF FOREIGN CURRENCY EXPOSURE:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Sundry Debtors	30.08	283.82	73.46
Sundry Creditors	189.87	24.72	75.64
Total	219.95	308.54	149.10

47 DIRECTOR'S REMUNERATION:

Directors' remuneration paid during the year is in accordance with the approval of the shareholders to the Company under Section 197(3) of the Companies Act, 2013 for giving the Remuneration above the limits prescribed by Section 197 read with Section II of Part-II of Schedule V of the Companies Act, 2013. The amounts paid includes the following:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Remuneration	168.00	168.00	168.00
Performance Bonus	67.20	42.00	42.00
Total	235.20	210.00	210.00

48 AUDITORS REMUNERATION:

(In Lakhs)

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
As Auditors	1.00	1.00	1.00
In Other capacity	0.50	0.50	
Total	1.50	1.50	1.00

49 Related Party Transactions:

The Company has identified all the related parties having transactions during the year in line with Indian Accounting Standard (Ind AS)- 24. Details of the same are as under:

List of Related Parties

Name of Related Party	Nature of Relationship
Mr. Sanjay Y Marathe	Managing Director
Mr. Girishkumar C Shah	Wholetime Director
Mrs. Neela Marathe	Non-Executive Director
Mr Mukund Bakshi	Independent Director
Mr Shailesh Patel	Independent Director
Mr Bhanubhai Patel	Independent Director
Mr. Krutarth Parikh	CFO
Mrs. Dipika Rajpal	CS
Mrs. Sidhdhi G Shah	Relative of Director
Dr Prem's Molecules Private Limited	Enterprise over which Key Management Personnel have significant influence
Kalichem Private Limited	Joint Venture

Transactions with Related Parties

(In Lakhs)

Name of Related Party	Nature of Transaction	During The Year		
		March 31, 2023	March 31, 2022	March 31, 2021
Mr. Sanjay Y Marathe	Remuneration	84.00	84.00	84.00
	Performance Bonus	33.60	21.00	21.00
	Unsecured Loan	-	(1.01)	-
Mr. Girishkumar C Shah	Remuneration	84.00	84.00	84.00
	Performance Bonus	33.60	21.00	21.00
	Unsecured Loan	-	(2.08)	-
Mrs. Neela Marathe	Rent Paid	8.32	7.56	6.88
	Sitting Fees	0.45	0.15	0.10
	Unsecured Loan	-	(3.74)	-
	Interest on Unsecured Loan	-	0.17	0.38
Mrs. Sidhdhi G Shah	Rent Paid	8.32	7.56	6.88
	Sitting Fees	-	0.06	0.06
	Unsecured Loan	-	(3.73)	-
	Interest on Unsecured Loan	-	0.17	0.37
Mr. Bhanubhai Patel	Sitting Fees	0.35	0.18	0.05
Mr. Mukund Bakshi	Sitting Fees	0.50	0.15	-
Mr. Shailesh Patel	Sitting Fees	0.55	0.28	0.14
Mr. Krutarth Parikh	Salary	5.77	-	-
Mrs. Dipika Rajpal	Salary	4.32	-	-
Dr Prem's Molecules Private Limited	Purchase	-	10.38	9.00
Kalichem Private Limited	Loan Given	155.00	125.00	-
	Interest Income	17.03	3.42	-
	Sales	20.00	-	-

Related Party Balance Outstanding at the end of the year	Nature of Transaction	Year Ended		
		March 31, 2023	March 31, 2022	March 31, 2021
Mr. Sanjay Y Marathe	Balance Outstanding	4.50	18.45	4.50
Mr. Girishkumar C Shah	Balance Outstanding	4.50	14.15	4.50
Mrs. Neela Marathe	Balance Outstanding	-	-	0.40
Mrs. Sidhdhi G Shah	Balance Outstanding	-	-	0.40
Mr. Bhanubhai Patel	Balance Outstanding	-	-	-
Mr. Mukund Bakshi	Balance Outstanding	-	-	-
Mr. Shailesh Patel	Balance Outstanding	-	-	-
Mr. Krutarth Parikh	Balance Outstanding	-	-	-
Mrs. Dipika Rajpal	Balance Outstanding	-	-	-
Dr Prem's Molecules Private Limited	Balance Outstanding	-	-	1
Kalichem Private Limited	Balance Outstanding	298.41	128.07	-

50 EARNINGS PER SHARE:

Particulars	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (In Lakhs)	1,435.81	1,485.87	893.36
Weighted Average number of equity shares used as denominator for calculating EPS (In Lakhs)	148.09	148.09	148.09
Basic and Diluted Earnings per share (In Rs.)	9.70	10.03	6.03
Face Value per equity share (In Rs.)	10	10	10

51 DUES TO MICRO & SMALL ENTERPRISES:

The dues to Micro & Small Enterprises as required under the Micro, Small and Medium Enterprise Development Act, 2006 to the extent information available with the company is given below:

Dues to Micro and Small Enterprises	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
a) The principal amount remaining unpaid to any supplier at the end of the year	-	-	-
b) Interest due remaining unpaid to any supplier at the end of	-	-	-
c) The amount of interest paid by the buyer in terms of section 16 of MSMED Act,2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of the deductible expenditure under	-	-	-
Total	-	-	-

52 OTHER STATUTORY INFORMATION:

- i. There are no immovable properties (other than properties where the Company is a lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.
- ii. The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- iii. The Company has not granted any Loans or Advances in the nature of loans to Promoters, Directors, KMPs and Related Parties either severally or jointly with other persons that are repayable on demand or without specifying any terms or period of repayment.
- iv. The Capital Work-in-Progress ageing schedule for the year ended on March 31, 2023 and March 31, 2022 is as follows:

CWIP	Year Ended	
	March 31, 2023	March 31, 2022
Amount in CWIP for a period of		
Less than 1 Year	198.08	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
Total	198.08	-

As on date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

- v. The Company did not have and Intangible Assets under Development as at the end of the year.
- vi. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- vii. The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India."

viii. The Company has entered into following transactions with Struck-off Companies:

Name of Struck Off Company	Nature of Transaction	Outstanding Amount (Rs.)	Relationship
Gamana Labs Private Limited	Sales (Rs.0.04)	Nil	None

- ix. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period or otherwise.
- x. The Company has made a direct investment in Joint Venture during the year which does not have any further downstream investment. Hence, it is in compliance with the number of layers prescribed under Section 2 (87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017.
- xi. There was no Scheme of Arrangements during the year.
- xii. The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- xiii. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- xiv. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- xv. There are no transactions which are not recorded in books and have been surrendered or disclosed as income during the year in Income Tax Assessments.
- xvi. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 53** The Company has been sanctioned Working Capital Limits of Rs 500 Lacs which are inter-alia against security of current assets. The Company has filed the Statements of Current Assets on quarterly basis. Quarterly statement of current assets submitted by company with Banks are in agreement with books of accounts.
- 54** There are no amounts pending to be transferred to the Investors Education and Protection Fund as at the end of the year.

55 TRANSITION TO IND AS - RECONCILIATION:

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

The transition to Ind AS has resulted in changes in presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles.

Exceptions availed:

Estimates:

Company's estimates in accordance with Ind AS as at the date of transition to Ind AS (April 1, 2021) are consistent with the estimates made for the same date as per IGAAP.

Classification of financial assets:

The classification of financial assets to be measured at Amortised cost is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

Exemptions availed:

Deemed cost for property, plant and equipment and intangible assets:

The company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Intangible assets recognised as of April 1, 2021 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Leases:

The Company has used following transition exemptions in respect of lease transactions:

- (i) Initial direct costs have been excluded from the measurement of the right-of-use asset at the date of transition to Ind AS.

Reconciliation of Equity as previously reported under IGAAP to Ind AS

(In Lakhs)

Particulars	Year Ended	
	March 31, 2022	March 31, 2021
Total Shareholders' Fund as per IGAAP	5,478.41	4,085.24
Nature of Ind AS Adjustments		
Effect of ROU Accounting of Leases	(15.38)	(21.83)
Effect of Fair Value of Investments	5.48	12.47
Effect of Actuarial gain on defined benefit obligations	(0.17)	-
Total Equity as per Ind AS	5,468.35	4,075.89

Reconciliation of Profit for the year ended March 31, 2022

(In Lakhs)

Particulars	Year Ended
	March 31, 2022
Profit after tax as per IGAAP	1,491.89
Nature of Ind AS Adjustments:	
Effect of ROU Accounting of Leases	(6.02)
Effect of Fair Value of Investments	5.48
Effect of Actuarial gain on defined benefit obligations	(0.17)
Total Comprehensive Income	1,491.18

Reconciliation of statement of cash flows:

The IND AS adjustments are either non-cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, IND AS adoption has no impact on the net cash flow for the year ended March 31, 2022 as compared with the previous GAAP.

Notes to Reconciliations:

Lease:

Under Previous GAAP, lease rentals were recognised as an expense after giving straight lining impact. Under Ind AS 116, the lessee shall recognise right of use assets and lease liabilities at the inception of lease. Right of use asset shall be depreciated over the lease period and lease liability shall be classified as financial liability and

finance cost shall be charged on it for each reporting period. The above calculated amount is cumulative of depreciation on right-of-use assets, finance cost element and reversal of lease rent expenses.

Recognition of Actuarial Gain / Loss:

Actuarial gains and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit and loss under IGAAP.

56 SEGMENT REPORTING:

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.

57 IMPAIRMENT OF ASSETS:

During the previous year, the Company had 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 had 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 further provision has been made for same.

58 DISCLOSURES MANDATED BY SCHEDULE III OF COMPANIES ACT 2013, BY WAY OF ADDITIONAL INFORMATION:

Name of the entity in the Group		Parent	Joint Venture	Consolidation Adjustment	Total
		CHEMCRUX ENTERPRISES LIMITED	KALICHEM PRIVATE LIMITED		
2022-23					
Net Assets i.e., total assets minus total liabilities	As % of Consolidated net asset	100.000%	0.008%	-0.008%	100%
	Amount	6,640.56	0.50	- 0.50	6,640.56
Share in profit or loss	dated profit or loss	100.00%	-		
	Amount	1,435.81	-		
Share in other comprehensive income	Share in other comprehensive income	100.00%	-		
	Amount	32.59	-		
Share in total comprehensive income	As % of total comprehensive income	100.00%	-		
	Amount	1,468.40	-		

Name of the entity in the Group		Parent	Joint Venture	Consolidation Adjustment	Total
		CHEMCRUX ENTERPRISES LIMITED	KALICHEM PRIVATE LIMITED		
2021-22					
Net Assets i.e., total assets minus total liabilities	As % of Consolidated net asset	100.000%	0.009%	-0.009%	100%
	Amount	5,468.34	0.50	- 0.50	5,468.34
Share in profit or loss	dated profit or loss	100.00%	-		
	Amount	1,485.87	-		
Share in other comprehensive income	Share in other comprehensive income	100.00%	-		
	Amount	5.32	-		
Share in total comprehensive income	As % of total comprehensive income	100.00%	-		
	Amount	1,491.20	-		

Chemcrux Enterprises Limited has entered into an agreement with Kalintis Healthcare Private Limited as on 22nd December 2021 to form a 50:50 Joint Venture, Kalichem Private Limited.

59 CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

- Gross amount required to be spent by the Company during the year 2022-23: Rs 30.82 Lacs (2021-22 Rs 26.25 Lacs)
- Amount spent during the year Rs 30.93 Lacs
- There is no unspent amount at the end of the year
- Nature of CSR activities:

Name of the Project	Item from the list of activities in schedule VII	Year Ended		
		March 31, 2023	March 31, 2022	March 31, 2021
Construction of shade in village for Prathampura Gram Panchayat	Rural development	1.08	-	-
Contributed in development of Science college facility to Ankleshwar Environmental Preservation Society	Promoting Education	11.00	-	-
Sponsoring Eduacion of Children of S R Rotary institute of chemical technology through Ankleshwar Rotary Education Society	Promoting Education	6.00	-	-
Given 10 Computers in Computer Lab of M S University	Promoting Education	6.15	-	-
Physiotherapy Lab in Muni Seva Ashram	Health Care	6.70	-	-
Total		30.93	26.25	20.93

60 FAIR VALUES:

A. Classification of Financial Assets and Liabilities:

(In Lakhs)

Particulars	Carrying Value as at		Fair Value as at	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Financial assets				
Financial Investments	1,678.14	708.39	1,678.14	708.39
Cash and Bank Balances	714.17	1,186.73	714.17	1,186.73
Trade Receivables	1,343.92	1,887.71	1,343.92	1,887.71
Other Financial assets	304.72	325.76	304.72	325.76
	-	-	-	-
Financial liabilities				
Trade Payables	815.73	1,159.94	815.73	1,159.94
Borrowings (Current)	315.89	801.50	315.89	801.50
Other Financial Liabilities (Non -Current)	0.19	0.02	0.19	0.02

B. Quantitative disclosure of fair value measurement hierarchy as at March 31, 2023:

(In Lakhs)

Particulars	Date of Valuation	Fair Value		
		Level 1	Level 2	Level 3
Financial assets				
Financial Investments	March 31, 2023	1,673.47		4.67
Cash and Bank Balances	March 31, 2023	-	-	714.17
Trade Receivables	March 31, 2023	-	-	1,343.92
Other Financial assets	March 31, 2023	-	-	304.72
Financial liabilities				
Trade Payables	March 31, 2023	-	-	815.73
Borrowings (Current)	March 31, 2023	-	-	315.89
Other Financial Liabilities (Non -Current)	March 31, 2023	-	-	0.19

Quantitative disclosure of fair value measurement hierarchy as at March 31, 2022:

(In Lakhs)

Particulars	Date of Valuation	Fair Value		
		Level 1	Level 2	Level 3
Financial assets				
Financial Investments	March 31, 2022	703.72	-	4.67
Cash and Bank Balances	March 31, 2022	-	-	1,186.73
Trade Receivables	March 31, 2022	-	-	1,887.71
Other Financial assets	March 31, 2022	-	-	325.76
Financial liabilities				
Trade Payables	March 31, 2022	-	-	1,159.94
Borrowings (Current)	March 31, 2022	-	-	801.50
Other Financial Liabilities (Non -Current)	March 31, 2022	-	-	0.02

61 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

The company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an internal part of how to plan and execute its business strategies. The company is exposed to market risk, credit risk and liquidity risk.

The company senior management oversees the management of these risks. The senior Professionals working to manage the financial risks and the appropriate financial risk governance framework for the company are accountable to the Board of Directors and Audit Committee. This process provided assurance the Company's

senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objectives. In the event of crises caused due to external factors such as caused by recent pandemic "COVID 19" the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure there is enough liquidity in these situations through internal and external source of funds. These forecast and assumptions are reviewed by board of directors.

1. Risk Management Framework

The Company's board of directors has overall responsibility for establishment and Oversight of the company's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the Mechanism of properly defined framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

2. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic and export market. The management impact analysis shows credit risk and impact assessment as low.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. The company management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the Directors of the company. Most of the Company's customers have been transacting with the company for over Five to Ten years against those customers. In monitoring customer credit risk, Customers are reviewed according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry and existence of previous financial difficulties. The company has not written off any amount in recent past for impairment in receivables. In view of the same no provision for impairment is done in current financial year.

3. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2023:

Particulars	Carrying Amount	(In Lakhs)		
		Upto 1 Year	1-5 Years	More than 5 Years
Borrowings (including current maturities)	1,547.78	315.89	703.29	528.60
Trade Payables	815.73	815.73	-	-
Lease Liabilities	101.16	10.57	74.51	16.07
Other Financial Liabilities	0.19	0.19	-	-

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2022:

Particulars	Carrying Amount	(In Lakhs)		
		Upto 1 Year	1-5 Years	More than 5 Years
Borrowings (including current maturities)	801.50	801.50	-	-
Trade Payables	1,159.94	1,144.49	15.30	-
Lease Liabilities	109.33	8.17	60.67	40.49
Other Financial Liabilities	0.02	0.02	-	-

4. Market Risk

Market risk is the risk that the Fair value of future cash flow of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: Currency rate risk, Interest Risk and equity price risk.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has borrowings, therefore Company is exposed to such risk.

(ii) Foreign Currency Risk

The Indian Rupee is the Company's most significant currency. As a consequence, the Company's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. So, the Company is exposed to such risk.

(iii) Equity Price Risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the price risk through diversification and by placing limits on individual and total instruments. Reports on the portfolio are submitted to the management on a regular basis."

5. Capital Management

The Company's capital management objectives are:

- To ensure the Company's ability to continue as going concern
- To provide adequate return to shareholders through optimisation of debt and equity balance

For the purpose of the Company's capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and business opportunities. The Company monitors capital structure using a debt equity ratio, which is debt divided by equity.

Particulars	(In Lakhs)		
	Year Ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Debt	1,547.78	865.53	92.78
Less: Cash and bank balances	123.48	1,176.05	260.65
Adjusted net debt	1,424.29	(310.52)	(167.88)
Total equity	6,640.56	5,468.34	4,075.89
Adjusted net debt to total equity ratio	0.21	(0.06)	(0.04)

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

63. KEY FINANCIAL RATIOS:

Ratio	Numerator	Denominator	Mar-23	Mar-22	% Variance	Reason for variance
(a) Current ratio	Total Current Assets	Total Current Liabilities	3.34	2.10	59.21%	The increase in the ratio is due to an increase in current investments.
(b) Debt-equity ratio	Short Term	Total Equity	0.23	0.16	47.26%	The increase in the ratio is due to
(c) Debt service coverage ratio	Profit Before Interest and Tax	Total Debts Service (Interest + Finance Lease Payment + Principal Repayment)	0.99	1.68	-40.64%	The decrease in the ratio is due to an increase in the borrowing cost.
(d) Return on equity ratio	Net Profit after Tax	Total Equity	23.71%	31.1%	-23.84%	-
(e) Inventory turnover ratio	Net Sales	Average Inventory	7.42	10.06	-26.28%	The decrease in the ratio is due to an increase in average inventories.
(f) Trade receivables turnover ratio	Net Sales	Average Trade Receivables	5.89	8.59	-31.42%	The decrease in the ratio is due to an increase in average trade receivables.
(g) Trade payables turnover ratio	Net Purchases	Average Trade Payable	4.58	7.62	-39.93%	The decrease in the ratio is due to an increase in average trade payable.
(h) Net Working capital turnover ratio	Net Sales	Working Capital	4.13	5.59	-26.13%	The decrease in the ratio is due to an increase in current assets.
(i) Net profit ratio	Net Profit	Sales	15.09%	15.60%	-3.25%	-
(j) Return on capital employed	Earning Before Interest and Tax	Capital Employed	21.02%	0.26	-19.86%	-
(k) Return on investment	Profit After Tax	Total Assets	14.49%	0.18	-18.29%	-

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

Sd/-
CA Rohit Shah
Partner
Membership No: 034139

Place: Vadodara
Date: 04.08.2023

For & on behalf of the Board of Directors
For Chemcrux Enterprises Limited

Sd/-
Girishkumar Shah
Whole-Time Director
DIN: 00469291

Sd/-
Sanjay Marathe
Managing Director
DIN: 01316388

Sd/-
Krutarth Parikh
CFO

Sd/-
Dipika Rajpal
CS

Place: Vadodara
Date: 04.08.2023

Reg. Off.:

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