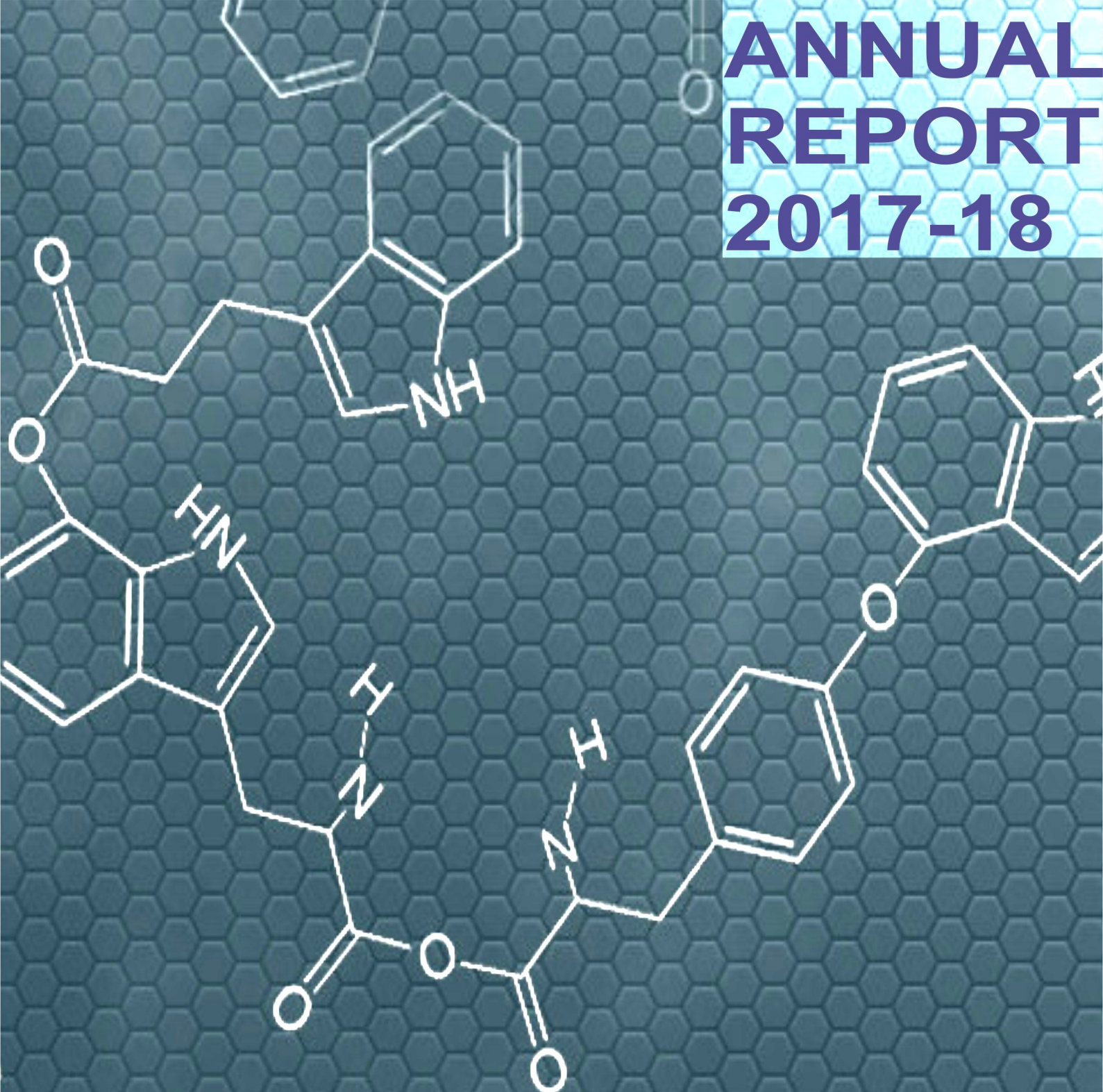


ANNUAL REPORT 2017-18



YASHI

Chemex Limited

ANNUAL REPORT 2017-18

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CORPORATE INFORMATION

Board of Directors

Mr. Yashwantlal C. Shah	-Chairman and Whole time Director
Mr. Pritesh Y. Shah	- Managing Director
Mrs. Dimple P. Shah	-Executive Director (Resigned 09.12.17)
Mr. Raj V. Shah	-Additional Executive Director (Appointed 18.12.17)
Mr. Jinal D. Shah	-Non Executive Independent Director
Ms. Angee R. Shah	-Non Executive Independent Director
Ms. Vrusha A. Patel	-Non Executive Independent Director

Audit Committee

Shareholder's Relationship Committee

Nomination and Remuneration Committee

Mr. Jinal D. Shah (Chairman) Mr. Pritesh Y. Shah (Member) Ms. Angee R. Shah (Member) Ms. Vrusha A. Patel (Member)	Mr. Jinal D. Shah (Chairman) Ms. Angee R. Shah (Member) Ms. Vrusha A. Patel (Member)	Mr. Jinal D. Shah (Chairman) Ms. Angee R. Shah (Member) Ms. Vrusha A. Patel (Member)
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Chief Financial Officer

Kiritkumar H. Shah

Company Secretary

Aesha Mashru

Book Closure

23rd September, 2018 to
29th September, 2018

Auditors of the Company

M/s. Harshad Sudir & Co.,
Chartered Accountants
41, Stadium House, Opp. Municipal Snanagar,
Stadium Cross Road,
Navrangpura, Ahmedabad-380009.

Banker of the Company

Yes Bank Limited
Union Bank of India

Registered Office

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

Registrar & Share Transfer Agent

Big Share Services Pvt. Ltd.
1st Floor Bharat Tin Works Building,
Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai-400059.

12TH ANNUAL GENERAL MEETING

Date- 29th September, 2018
Day- Saturday Time- 2:00 PM
Venue- 411, Sigma Icon-1, 132ft Ring Road,
Opp. Medilink Hospital, Satellite, Ahmedabad-380015.

SECRETARIAL AUDITORS

Yashree Dixit & Associates
Company Secretaries
546/1, Jayshree Nivas, Nr. Bhavin School
School, Thaltej Gam, Ahmedabad- 380059

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWELFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF YASH CHEMEX LIMITED WILL BE HELD ON SATURDAY, 29TH DAY OF SEPTEMBER, 2018 AT 02:00 P.M AT THE, REGISTERED OFFICE OF THE COMPANY AT 411, SIGMA ICON-1, 132FT RING ROAD, OPP. MEDILINK HOSPITAL, SATELLITE, AHMEDABAD-380015.

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the audited standalone financial statements of the Company for the financial year ended 31st March, 2018, thereports of the Board of Directors and Auditors thereon; and
 - b) the audited consolidated financial statements of the Company for the financial year ended 31st March, 2018 and the Auditors Report thereon.
2. To take note of the payment of interim dividend of Rs. 0.35 per Equity Share, already paid during the financial year ended 31st March, 2018
3. To appoint a Director in place of Mr. Pritesh Shah (DIN: 00239665), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:**4. To Appoint Mrs. Dimple Pritesh Shah as Director:**

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder, Mrs. Dimple P. Shah (DIN 06914755), who was appointed as an Additional Director of the Company with effect from July 19, 2018 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

5. Revision in terms of Remuneration of Mr. Pritesh Y. Shah (DIN:00239665) Managing Director of the Company

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

“RESOLVED THAT pursuant to the Ordinary Resolution passed by the Shareholders of the Company at the Extra Ordinary General Meeting of the Company held on April 9, 2016, accorded their consent for appointment read with resolution no. 4 of Annual General Meeting held on 28th September, 2017 accorded their consent for revision of remuneration of Mr. Pritesh Y. Shah (DIN:00239665) as Managing Director of the Company for period of 3 years with effect from March 15, 2016 till March 14, 2019 and in accordance with the provisions of Sections 196, 197,

198, 203 and Section II of Part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and such modifications and conditions as may be prescribed approval of the Company be and is hereby accorded to revise the maximum salary payable to Mr. Pritesh Y. Shah as Managing Director of the Company as set out in the Explanatory Statement annexed to the Notice, with effect from April 01, 2018 for the remaining period of his tenure.

“FURTHER RESOLVED THAT for the purpose of giving effect to the above resolution the Board of Directors is authorized to do all such acts, deeds, matters and things as may be considered it to be necessary or desirable in this regard.”

6. Revision in terms of Remuneration of Mr. Yashwantlal C. Shah (DIN:01002342) Whole time Director of the Company

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

“RESOLVED THAT pursuant to the Ordinary Resolution passed by the Shareholders of the Company at the Annual General Meeting of the Company held on September 30, 2016, accorded their consent for appointment read with resolution no. 5 of Annual General Meeting held on 28th September, 2017 accorded their consent for revision of remuneration of Mr. Yashwantlal C. Shah (DIN:01002342) as Whole time Director of the Company for period of 3 years with effect from September 3, 2016 till September 02, 2019 and in accordance with the provisions of Sections 196, 197, 198, 203 and Section II of Part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and such modifications and conditions as may be prescribed approval of the Company be and is hereby accorded to revise the maximum salary payable to Mr. Yashwantlal C. Shah as Whole time Director of the Company as set out in the Explanatory Statement annexed to the Notice, with effect from April 01, 2018 for the remaining period of his tenure.

“FURTHER RESOLVED THAT for the purpose of giving effect to the above resolution the Board of Directors is authorized to do all such acts, deeds, matters and things as may be considered it to be necessary or desirable in this regard.”

By Order of the Board
For, Yash Chemex Limited

Date: 5th September, 2018
Place: Ahmedabad

Pritesh Shah
Managing Director
DIN: 00239665

NOTES:

- i. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share Capital of Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the Meeting. A Proxy Form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.

- ii. The Explanatory Statement setting out material facts, pursuant to section 102 of the Companies Act, 2013, in respect of the special businesses under item nos. 4 to 6 of the accompanying Notice is annexed hereto.
- iii. The Proxy form must be deposited at the registered office of the Company not less than 48 hours before the scheduled hour of commencement of the meeting.
- iv. During the period beginning 24 hours before the time fixed for the commencement of the AGM and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
- v. The Register of the Members and Share Transfer Books of the Company will remain closed from 23rd September, 2018 to 29th September, 2018 (both days inclusive). The book closure dates have been fixed in consultation with the Stock Exchange.
- vi. The Ministry of Corporate Affairs has come out with a circular dated 29th April, 2011 which allows the Companies to send documents including Annual Reports and other information by an e-mail. Therefore you are requested to register your e-mail IDs with the Registrar and Share Transfer Agent of the Company. The Company is already having e-mail IDs of the members holding their shares in Demat through their respective Depository participants. The said email ID shall be considered as registered email ID for the said members unless informed otherwise to the Company or Registrar or Share Transfer Agent.
- vii. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in Annual General Meeting held on 30th September, 2016.
- vi. The cut-off date for the purpose of remote e-voting and voting at the AGM shall be Saturday, September 22, 2018. Please note that members can opt for only one mode of voting i.e., either by voting at the meeting or e-voting. If Members opt for e-voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting may also attend the Meeting and participate in the Meeting, but shall not be entitled to cast their vote again.
- vii. The Notice of the AGM, Annual Report and Attendance Slip are being sent in electronic mode to the members whose email address are registered with the Company or Depository

Participant(s), unless the members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those members who have not registered their email addresses with the Company or Depository Participant(s). Members are requested to submit a duly filled in attendance slip at the registration Counter of the AGM.

- viii. In case of Joint holders, attending the Meeting, only such joint holders, who are higher in the order of names, will be entitled to vote at the meeting.
- ix. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts.
- x. As per Regulations of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Company has designated email ID of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints by investors. Investors are requested to send their communication on the designated email id aesha@yashchemex.com
- xi. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting (SS-2), in respect of the Directors seeking appointment / re-appointment at the AGM is furnished as Annexure to the Notice.
- xii. For convenience of the members and proper conduct of the meeting, entry to the meeting venue will be regulated by the Attendance Slip, which is enclosed with this Annual Report. Members are requested to sign at the place provided on the attendance slip and hand it over at the registration counter at the venue.
- xiii. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts; will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
- xiv. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all working days up to the date of the Annual General Meeting.
- xv. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his request to the Company at least 7 days prior to the Meeting so that the required information can be made available at the Meeting.
- xvi. Members are requested to bring their copy of the Annual report to the Annual General Meeting.
- xvii. Members are requested to quote Folio number in their correspondence.
- xviii. Members are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting and number of shares held by them.
- xix. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.

- xx. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM.
- xxi. In terms of Section 152 of the Companies Act, 2013, Mr. Pritesh Y.Shah (DIN: 00239665), Managing Director, retire by rotation at the Meeting and being eligible, offer himself for re-appointment. The Board of Directors of the Company recommends his respective reappointment.
- xxii. Brief resume of Director proposed to be re-appointed, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors interest as stipulated, are as under.
- xxiii. In compliance with Sections 108 and 110 of the Companies Act, 2013 and the Rules made there under, as amended, the Company has provided the facility to the Members to exercise their votes electronically and vote on all the resolutions through the e-voting service facility arranged by CDSL. The instructions for electronic voting are annexed to this Notice.

xxiv. VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, applicable Secretarial Standards and the Listing Regulations a member of the Company holding shares either in physical form or in dematerialized form, may exercise his/her right to vote by electronic means (e-voting) in respect of the resolution(s) contained in this notice.

The Company is providing e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of Bigshare Services Private Limited as the Authorised Agency to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting).

Facility for voting through ballot/ polling paper shall also be made available at the AGM and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.

The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. In case vote is casted by both the modes, then vote casted by e voting shall prevail.

The Board of Directors has appointed Yashree Dixit & Associates, Company Secretary in practice (Certificate of practice No. 19206 as the Scrutinizer, for conducting the voting/ poll and remote e-voting process in a fair and transparent manner.

The instructions to members for voting electronically are as under.

- i. The voting period (including e-voting) begins on Wednesday, September 26, 2018 at 09:00 a.m. and ends on Friday, September 28, 2018 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Saturday, September 22, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on "Shareholders/Members" tab.
- iv. **Now Enter your User ID**
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field In case the sequence number is less than 8 digits enter the applicable number of 0's. before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- X. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant <Yash Chemex Limited> on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- Xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log onto www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or aesha@yashchemex.com.
- xxi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.yashchemex.com and on website of CDSL e-Voting www.evotingindia.com within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited, where the shares of the Company are listed.

Annexure
Additional Information of Directors recommended for appointment/re-appointment in terms of Secretarial Standards on General Meeting (SS-2):

Name of Director	Mrs. Dimple P. Shah	Mr. Pritesh Shah
Date of birth/Age	20/06/1977 /41 years	25/04/1975/43 years
Qualification	B.com	B.Sc. & Diploma in Export Import Management
Expertise in specific functional areas	Mrs. Dimple P. Shah has knowledge and experience in administrative field.	Mr. Pritesh Y. Shah has experience of more than 20 years in Chemical Industry.
Date of appointment on the Board	19 th July, 2018**	9 th April, 2016*
Terms and conditions of appointment/Re-Appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	Appointed as Executive Director whose term of office is liable to retire by rotation	Appointed as Executive Director whose term of office is liable to retire by rotation
Details of last drawn remuneration	Remuneration last drawn is Rs. 70,548/- in FY 2017-18	Remuneration last drawn is Rs. 14,00,000/- in FY 2017-18
Directorship held in other Companies	Yasons Chemex Care Limited	Yasons Chemex Care Limited
Chairmanship/Membership in committee of other Boards	Nil	Member of Audit Committee
Shareholding in the Company	780500	1733754
Number of Meetings of the Board attended during the financial year 2017-18	9 of 9	13 of 13

*Appointment as Director of the Company on June 3rd, 2006 and change in designation w.e.f.9th April, 2016 as Managing Director, and liable to retire by rotation under Section 152(6) of the Companies Act, 2013.

**Mrs. Dimple P. Shah was originally appointed on Board w.e.f. 01.01.2016 and had resigned from Directorship w.e.f 09.12.2017 due to Pre-occupation elsewhere. She was later reappointed on the Board of our Company w.e.f 19.07.2018.

EXPLANATORY STATEMENT FOR RESOLUTIONS MENTIONED UNDER PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM No. 4**

The Board of Director had appointed Mrs. Dimple P. Shah as an Additional Director with effect from July 19, 2018, liable to retire by rotation.

The Company has received consent to act as Director and declaration that she is not disqualified from being appointed as a Director of the Company. The Company has also received notice in writing, from member section 160 of the Act, proposing her candidature for the appointment as Director of the Company.

Copy of Appointment Letter setting out terms and conditions of appointment including remuneration is available for inspection by Members as per details mentioned in the Notes. The disclosures prescribed under the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') are provided in **Annexure** of the Notice.

Except Mrs. Dimple P. Shah and her relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested in the proposed resolution(s) mentioned at item no. 4. The Board recommends the passing of the resolution(s) as set out at item no. 4 as Ordinary Resolution.

ITEM NO. 5 & 6

The term of office of Three (3) years of Mr. Pritesh Y. Shah (DIN:00239665), Managing Director and Mr. Yashwantlal C. Shah (DIN: 01002342) Chairman & Whole time Director. The shareholders of Company had also accorded their approval for payment of remuneration to them through their Annual General Meeting held on September 28, 2017.

Remuneration: In terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, where in any financial year, during the currency of the tenure of Managerial personnel, the Company has no profits or its profits are inadequate, the remuneration can be paid by the Company to its managerial Personnel as minimum remuneration within the limits arrived at in accordance with requirements of the said section II, subject to the following:-

1. The payment of remuneration is approved by a resolution passed by the board and also the nomination and remuneration committee of directors.
2. There is no default in repayment of any of its debts or interest payable thereon.
3. An ordinary resolution has been passed at a general meeting of the company.

The company has no inadequate profits in the previous year 2017-18 however, out of abundant caution and in view of relevant extant provisions of law relating to managerial remuneration, the company is complying with the provisions of section II of part II of schedule V of the Companies Act, 2013.

The ministry of corporate affairs vide its notification dated 12th September 2016 brought change in provisions under schedule V of the companies act, 2013 relating to appointment and remuneration of managerial personnel by increasing the limits of yearly remuneration basis effective capital as under.

. The companies having effective capital of above 5 cores but less than 100 cores can pay remuneration up- to Rs.84 lakhs per annum.

. This limit, specified above, shall be doubled if the special resolution is passed in the matter.

Keeping in view of the above, it is proposed to revise the maximum annual salary from Rs. 14,00,000/- (Rupees Fourteen lakh) to Rs. 18,00,000/- (Rupees Eighteen lakhs) of Mr Pritesh Y. Shah (DIN 00239665) Managing Director, to revise the maximum annual salary from Rs. 9,50,000 to 13,00,000 of Mr. Yashwantla C. Shah (DIN 01002342) Whole time Director and Chairman of the company with effect from April 01,2018 for remaining period of their tenure, in terms of companies Act , 2013.

Pursuant to the recommendation of nomination & remuneration committee, the board of directors of the company at its meeting held on May 29, 2018 approved the remuneration as stated in item 5 & 6 of the notice. Further, the board of directors recommends the resolution stated in the said item for the approval of members of the company by way of ordinary resolution.

Statement required pursuant to the provisions of the Schedule V of the Companies Act, 2013 is given below:

1. General information		
(a) Nature of industry	Importing and trading of dyes, Chemicals and intermediates	
(b) date or expected date of commencement of commercial production.	03/06/2006	
(c) in case of new companies , expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A	
(d) financial performance based on given indicator		
Standalone		
Particulars	Rs. In lacs	2016-17
	2017-18	
Total income	8392.99	7870.33
Total expenditure 8179.867731.64		
Earning before finance cost, depreciation & amortization and tax (EBIDTA)	213.13	138.69
Less: finance cost	28.02	43.79
Less: depreciation & amortization		
Expenses	3.03	3.59
Profit before tax and exceptional items	182.08	91.31
Exceptional items		
Profit from ordinary activities before tax	182.08	91.31
Less : extra ordinary items		
Less: tax expenses	61.74	29.05
Profit after tax (PAT)	120.35	62.26
(e) foreign investments or collaborators, if any	NIL	

2. Information about the appointee

• Information about the Mr. Pritesh Y. Shah

Background details

Mr. Pritesh Y. Shah aged approximately 43 years is the Managing Director of our Company he has been Director on the Board since incorporation. Mr. Pritesh Y. Shah has acquired expertise in area of Trading of Chemicals. He is the founder promoter of the Company and has been responsible for the growth and development of the Company since its inception.

Past remuneration

He has been paid annual Remuneration of Rs. 8 lacs during the Financial year 2015-16, Rs. 8 Lacs during the Financial year 2016-17 and Rs. 14 lacs during the Financial year 2017-18.

Recognition or awards

The Company has received various awards and recognition during his tenure.

Job profile and his suitability

Presently, his vast experience of more than 20 years in Chemical industry is enshrined on the Company for formation of policies and developmental activities of the company. He is involved in identifying, developing and directing the implementation of business strategy.

He is engaged in developing business plans and preparing comprehensive business reports and he is also responsible for Companies health and legislative adherence and maintains links with other trade and professionals associations.

Remuneration proposed

The remuneration proposed to be increased from Rs. 14 lakhs p.a. to Rs. 18 Lakhs p.a. from the 1st April, 2018 till the reminder of terms.

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person

Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similar positioned businesses.

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

Mr. Pritesh Y. Shah is the Managing Director of the Company, belongs to promoter group & holds 15.02% of total shareholding of the Company as on 31st March, 2018. He is son of Chairman and whole time Director Mr. Yashwantlal C. Shah and Spouse of Director Mrs. Dimple P. Shah

- **Information about the Mr. Yashwantlal C. Shah**

Background details

Mr. Yashwantlal C. Shah aged approximately 76 years is the Whole time Director of our Company. He has been Director on the Board since incorporation. Mr. Yashwantlal C. Shah is the founder promoter of the Company and has more than 10 Years of experience in Chemical Business.

Under his dynamic leadership and vast experience, we are able to deliver constant value to our Company's project and expansion strategy.

Past remuneration

He has been paid annual Remuneration of Rs. 7.5 Lacs during the Financial year 2015-16, Rs. 7.5 Lacs during the Financial year 2016-17 and Rs. 9.5 Lacs during the Financial year 2017-18.

Recognition or awards

The Company has received various awards and recognition during his tenure.

Job profile and his suitability

Being the founder of the organization he has worked on almost all area in the organisation which helps him understand and handle major function of our Company.

He is responsible for building client relationship that results in revenue and profitability growth. He is also involved in planning and organizing the activities of the Company to achieve its desired objective. He has a key role in motivating and development of the personnel's of management of the Company.

Remuneration proposed

The remuneration proposed to be increased from Rs. 9.5 lakhs p.a. to Rs. 13 Lakhs p.a. from the 1st April, 2018 till the reminder of terms.

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person

Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similar positioned businesses.

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

Mr. Yashwantlal C. Shah is the Whole time Director of the Company, belongs to promoter group & holds 5.90% of total shareholding of the Company as on 31st March, 2018. He is father of Managing Director Mr. Pritesh Y. Shah.

3. Other Information

Reason of loss or inadequate profits	The Company does not envisage any loss or inadequate profits. However, hike in the interest rate, rising running cost and challenging business environment may affect the profitability of the Company in future. The Company proposes to obtain approval of Members as an abundant caution in case the standalone profits are insufficient to pay the managerial remuneration as above.
Steps taken or proposed to be taken for improvement	The Company is always looking forward to taking all such steps and measures including expansion, diversification, innovations which are in the best interest of the company. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.
Expected increase in productivity and profits in measurable terms:	The company has taken various initiatives to improve market share and financial performance. it has been aggressively pursuing and implementing its strategies to improve financial performance

4. Disclosures:

Fully described in the explanatory statement as stated above

The re-appointment and the remuneration proposed fulfill the conditions stipulated in Schedule V of the Companies Act, 2013 and hence approval of Central Government is not required.

Except for Mr. Pritesh Y. Shah, Managing Director and Mr. Yashwantlal C. Shah, Whole time Director of the Company and their relatives, none of the other Directors, Key Managerial Person(s) of the Company and their relatives are in any way, concerned or interested in the said resolution financial or otherwise.

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present the Twelfth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended as on 31st March, 2018.

STATE OF AFFAIRS OF THE COMPANY:
a) FINANCIAL RESULTS:
(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Revenue from Operation	8302.41	7798.24	8894.47	7798.24
Other Income	90.59	72.09	104.69	72.09
Total Revenue	8393	7870.33	8999.16	7870.33
Profit Before Depreciation, Interest and Tax	213.13	138.69	262.86	138.69
Less: Depreciation	3.03	3.59	3.27	3.59
Less: Financial Cost/Interest	28.01	43.79	28.01	43.79
Profit Before tax	182.09	91.31	231.58	91.31
Less: Provision for tax (Including Deferred Tax)	61.74	29.05	75.21	29.05
Net Profit after Tax	120.35	62.26	156.36	62.26

b) PERFORMANCEREVIEW:
Standalone:

The total revenue of the Company for the financial year 2017-18 stood at Rs. 8302.41 Lakh as against last year's Rs. 7798.24 Lakh, a growth of 6.47%. Profit before tax were at Rs. 182.09 Lakh as against last year's Rs. 91.31 Lakh, a growth of 99.41%.

As on 31st March 2018, the Reserves and Surplus of the Company were at Rs. 401.75 Lakhs.

Consolidated:

The total revenue of the Company for the financial year 2017-18 stood at Rs. 8894.47 Lakh as against last year's 7798.24 Lakh, a growth of 14.06%. Profit before tax were at Rs. 231.58 Lakh as against last year's 91.31 Lakh a growth of 153.61%.

DIVIDEND:

During the financial year 2017-18, the Board of Directors declared interim dividends of Rs. 0.35/- per share of the face value of Rs. 10/- each in the month of November, 2017.

TRANSFER TO RESERVES:

The Company proposes to transfer an amount of Rs. 1,20,35,121/- to general reserves.

SHARE CAPITAL:

The authorized and paid up share capital of the company as at March 31, 2018 stood at Rs. 1100 Lakhs and 1024 Lakhs respectively. During the year under review, your company has increased its authorised share capital from Rs. 450 Lakhs to Rs. 1100 Lakhs.

Your Company has allotted 61,46,055 fully paid- up bonus equity shares of face value of Rs. 10/- each in March, 2018 to the shareholders of the company in proportion of 3:2 (3 equity shares for every 2 existing equity shares held)and consequently the number of shares increased from 4097370 to 10243425.

During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2018, none of the directors of the Company hold instruments convertible into Equity Shares of the Company.

DIRECTORS AND KEY MANAGERIALPERSONNEL

(a) Directors

During the year under review, the followingchanges occurred in the Board of Directors:

- i. In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Pritesh Y. Shah Managing Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re- appointment. The aforesaid re-appointment with a brief profile and other related information of Mr. Pritesh Y. Shah forms part of the Notice convening the ensuing Annual General Meeting and the Directors recommend the same for your approval.
- ii. Mr. Kamlesh D. Patel, Independent Director resigned from the directorship w.e.f. 1st April, 2017 and Mrs. Dimple P. Shah resigned from the directorship w.e.f. 9th December, 2017.
- iii. Ms. Vrusha A. Patel was appointed as an Additional Director (Independent) w.e.f. 29th May, 2017 and it is proposed to appointher as an Independent Director at theensuing AGM, for a period of three yearscommencing from 29thMay, 2017 and Mr. Raj V. Shah was appointed as an Additional Director w.e.f. 18th December, 2017

(b) Key Managerial Personnel

In accordance with the provisions of Section 203 of the Companies Act, 2013 the following are the KeyManagerial Personnel of the Company

Sr. No.	Name	Designation
1.	Pritesh Y. Shah	Managing Director
2.	Yashwantlal C. Shah	Whole time Director
3.	Kiritkumar H. Shah	Chief Financial Officer
4.	Aesha J. Mashru	Company Secretary

SUBSIDIARY COMPANY

The Company has the following Subsidiary Company:

- **YasonsChemex Care Limited**

YasonsChemex Care Limited was incorporated on October, 2017 engaged in business of Manufacturing of Perfumes, Deodorants, Dyestuff and Trading of all kinds of Chemicals.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 (the Act) the Company has prepared consolidated financial statements which form part of this Annual Report. A separate statement containing salient features of the financial statements of the Company's subsidiary in prescribed form AOC-1 is annexed as **Annexure A** to this report.

The audited financial statement including the consolidated financial statements of the Company and all other documents required to be attached thereto is available on the Company's website i.e. www.yashchemex.com The financial statement of the subsidiary company is available on the Company's Website i.e. www.yasonschemexcare.com These documents will also be available for inspection on all working days, during business hours, at the Registered Office of the Company.

The Company is already having a policy for determining material subsidiaries and the same is available on Company's website i.e. www.yashchemex.com

There was no Company which has ceased to be Company's Subsidiary, Joint Venture or Associate Company during the financial year ended 31st March, 2018.

MATERIAL CHANGES & COMMITMENTS:

There is 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 statements relate and the date of this report as given below:

Company has changed its object Clause by inserting 1 New Clause in Clause III(A) of Memorandum of Association of Company which is approved by the shareholder in the Extra-Ordinary General Meeting held on April 11, 2018.

MATERIAL ORDERS:

In pursuance to Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014, No significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT

Pursuant to the provisions of Section 186 of the Act, 2013, investments made are provided as part of the financial statements. There are no loans granted, guarantees given or issued or securities provided by your Company in terms of Section 186 of the Act, read with the Rules issued thereunder.

RELATED PARTY TRANSACTIONS

All Contracts / transactions / arrangements entered by the Company during the financial year with the Related Parties were in ordinary course of business and on an arm's length basis and in accordance with the provisions of the Companies Act, 2013, read with the Rules issued thereunder and the regulations.

Further, there were no transactions with related parties which qualify as material transactions under the regulations.

All transactions with related parties were reviewed and approved by the Audit Committee. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

The details of the transactions with Related Parties are set out in Note to the Standalone Financial Statements.

MEETING BOARD OF DIRECTORS

The Board of Directors of the Company met 13 times during the year on 12/04/17, 29/05/17, 01/09/17, 26/09/17, 28/10/17, 01/11/17, 09/11/17, 17/11/17, 07/12/17, 18/12/17, 01/01/18, 27/01/18 and 17/03/18 in respect of which proper notices were given and the proceedings were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

MEETING OF AUDIT COMMITTEE

The Members of Audit Committee met 6 times during the year on 01/04/17, 29/05/17, 26/09/17, 09/11/17, 18/11/17 and 08/03/18 as per provision of Section 177 of the Companies Act, 2013 and applicable provisions.

Mr. Jinal D. Shah (DIN:07467703) is chairman of Audit Committee.

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Jinal D. Shah	Independent & Non-Executive Director	6	6
Mr. Pritesh Y. Shah	Executive Director	6	3
Ms. Angee R. Shah	Independent & Non-Executive Director	6	5
Ms. Vrusha A. Patel	Independent & Non-Executive Director	4	4

Committee is reconstituted in the Board of Directors meeting held on September 01, 2017

MEETING OF NOMINATION AND REMUNERATION COMMITTEE

The members of Nomination and Remuneration Committee met 2 times during the year on 29/05/17 and 18/12/17 as per the provisions of the Section 178 of the Companies Act, 2013 and applicable provisions.

Mr. Jinal D. Shah (DIN:07467703) is chairman of Nomination and Remuneration Committee.

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Jinal D. Shah	Independent & Non-Executive Director	2	2
Ms. Angee R. Shah	Independent & Non-Executive Director	2	2
Ms. Vrusha A. Patel	Independent & Non-Executive Director	2	1

Committee is reconstituted in the Board of Directors meeting held on September 01, 2017

MEETING OF STAKEHOLDER RELATIONSHIP COMMITTEE

The Members of Stakeholder Relationship Committee met 2 times during the year on 05/01/18 and 31/03/18 as per the provisions of Section 178 of the Companies Act, 2013 and applicable provisions.

Mr. Jinal D. Shah (DIN:07467703) is chairman of Stakeholder Relationship Committee.

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Jinal D. Shah	Independent & Non-Executive Director	2	2
Ms. Angee R. Shah	Independent & Non-Executive Director	2	2
Ms. Vrusha A. Patel	Independent & Non-Executive Director	2	2

Committee is reconstituted in the Board of Directors meeting held on September 01, 2017

MEETING OF INDEPENDENT DIRECTORS

The independent directors of company met 1 times during the year on March 07, 2018

Mr. Jinal D. Shah (DIN:07467703) is chairman of Independent Directors Meeting.

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Jinal D. Shah	Independent & Non-Executive Director	1	1
Ms. Angee R. Shah	Independent & Non-Executive Director	1	1
Ms. Vrusha A. Patel	Independent & Non-Executive Director	1	1

MANNER OF FORMAL EVALUATION OF BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

During the year under review, performance evaluation of the Board as a whole and that of its Committees and Individual Directors have been carried out as per the provisions of the Companies Act, 2013. All Independent Directors of the Company at their meeting held on 7th March, 2018 have evaluated the performance of the Board as a whole, Committees of Board, the Chairman of the Company and the Non Independent Directors as per the criteria adopted by the Board.

The performance evaluation of the Board was based on various parameters such as qualification of Board Members, their diversity of experience and background, whether the Members of the Board met all applicable independence requirements, sufficient number of Board meetings and Committee meetings etc. The performance of the individual Directors was evaluated on parameters such as qualifications, experience, independence, participation in Board Meetings and Committee Meetings, etc.

The evaluation of the Independent Directors was carried out by the entire Board excluding the Independent Director being evaluated.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

DECLARATION BY INDEPENDENT DIRECTORS

Mr. Jinal D. Shah, Ms. Angee R. Shah and Ms. Vrusha A. Patel, Independent Directors of the Company have given their declaration under Section 149(7) of Companies Act, 2013 to the effect that they meet the criteria of independence as provided under Section 149 (6) of the Act and that they abide by the provisions specified in Schedule IV to the Companies Act, 2013 the Board has, taken on records the declarations received from Mr. Jinal Shah, Ms. Angee Shah and Ms. Vrusha Patel.

AUDITORS AND AUDITORS' REPORT**(a) Statutory Auditors**

M/s. Harshad Sudhir & Co., Chartered Accountants (FRN 129775W) as Statutory Auditors of the Company were appointed at 10th Annual General Meeting (AGM) of the Company held on 30th September, 2016 for a period of three years.

As per the provisions of Section 40 of the Companies (Amendment) Act, 2017 there is no requirement for ratification of appointment of statutory auditor at every AGM of the Company and therefore, it is not required to ratify the appointment every year.

• AUDITORS' REPORT

The notes on financial statement referred to in the auditor's report are self-explanatory. There is no qualification, reservation or adverse remarks or disclaimer made by the auditors in their report and do not call for any further explanation/comment from the board.

(b) Secretarial Auditor

Pursuant to provisions of Section 204 of the Act and rules made thereunder, M/s. R K Choksi & Co., Company Secretaries in Practice, was appointed as Secretarial Auditor to conduct the secretarial audit of the Company for the financial year 2017-18.

An Audit Report issued in form MR-3 by M/s. R K Choksi & Co., Company Secretaries, Ahmedabad in respect of the secretarial audit of the Company for the financial year ended 31st March, 2018, is attached as **Annexure B** to this Report. The report doesn't contain any reservation, qualification or adverse mark".

(C) Internal Audit and Controls

In accordance with the provisions of Section 138 of the Act and rules made thereunder, the Board of Directors of the Company has appointed M/s. J M Dobariya & Co., Chartered Accountants, as an Internal Auditor to conduct the Internal Audit of the Company

Your Company has appointed M/s J M Dobariya & Co., as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

(d) Cost Auditor

As per the requirement of the Central Government and pursuant to section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your company hereby confirms that the provisions of this section is not applicable, hence your company needs not required to appoint cost auditor for the financial year 2017-18.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company established a Whistle Blower Policy to deal with the cases of unethical behaviour in all its business activities, fraud, mismanagement and violation of Code of Conduct of the Company. The policy provides systematic mechanism to report the concerns and adequate safeguards against the victimization if any. The policy is available on the website of the Company i.e. www.yashchemex.com During the year, no whistle blower event was reported and mechanism is functioning well. No personnel have been denied access to the Audit Committee.

LISTING WITH STOCK EXCHANGES

The Equity shares of the Company were listed on the Bombay Stock Exchange – SME Platform (BSE) for Migration to main board company has received in principle approval of BSE Limited on 30th August, 2018.

CORPORATE SOCIAL RESPONSIBILITY

The Board of Directors of your company hereby confirms that the provisions of section 135(1) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to our company for the financial year 2017-18.

DEPOSITS

During the year under review, your company has neither invited nor accepted or renewed any fixed deposit from public in terms of provisions of section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2018, the Board of Directors hereby confirms that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures;
2. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for that year;
3. proper and sufficient care was taken 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;
4. the annual accounts of the Company have been prepared on a going concern basis;
5. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
6. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form No. MGT-9, as on 31st March, 2018 is given as **Annexure C** to this report.

NOMINATION AND REMUNERATION POLICY:

The Company has adopted a Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178 (3) of the Companies Act, 2013. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration policy of the Company.

The policy is available on the website of the Company at www.yashchemex.com

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.**a) Conservation of Energy:***

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

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

b) Technology Absorption:*

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

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

Foreign Exchange earnings and outgo

Particulars	2017-18	2016-17
Earnings in foreign Exchange	4,22,947	32,13,895
Outgo in foreign Exchange	2,70,12,541	7,64,60,601

PARTICULARS OF EMPLOYEES

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

The details in terms of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as **Annexure D** to this report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report forming part of this Annual Report as **Annexure E** to this report.

RISK MANAGEMENT POLICY

The Company has framed and implemented a Risk Management Policy to identify the various business risks. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company’s competitive advantage.

The Risk Management Policy defines the risk management approach across the enterprise at various levels including documentation and reporting.

CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report of the Corporate Governance and the Certificate of the Auditors of the Company in respect of compliance thereof and appended hereto and forming part of the report.

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the compliance with the corporate governance provisions as specified in regulations 17, 18, 19,20,21,22,23,24,25,26,27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of the listed entity which has listed its specified securities on the SME Exchange.

ACKNOWLEDGEMENT

Your Directors' wishes to place on record its sincere thanks to all the Customers, Suppliers, Bankers and Central and State Government Authorities for extending support to your Company. The Board also places on record its sincere appreciation of the contribution made by all the stakeholders for placing their faith and trust on the Board.

By Order of the Board of Directors
For, **YASH CHEMEX LIMITED**

Sd/-
Pritesh Y. Shah
Managing Director
DIN: 00239665

Sd/-
Yashwantlal C. Shah
Chairman & Whole time Director
DIN: 01002342

Place: Ahmedabad
Date: 29.05.18

**Annexure A
Form AOC-1**

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

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

Part "A": Subsidiaries

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

Sr. No.	1.
Name of the Subsidiary	YasonsChemex Care Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
Share capital	415.6250
Reserves & surplus	201.64
Total assets	768.68
Total Liabilities	151.41
Investments	NIL
Turnover	592.07
Profit before taxation	49.49
Provision for taxation	13.48
Profit after taxation	36.01
Proposed Dividend	Nil
Extent of Shareholding (in Percentage)	50.98%

For and on behalf of the Board

Pritesh Shah
Managing Director
DIN: 00239665

Yashwantlal C. Shah
Chairman and Whole time Director
DIN:01002342

Kiritkumar H. Shah
Chief Financial Officer

Aesha Mashru
Company Secretary

Place: Ahmedabad
Date: 29.05.18

Annexure -B
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2018

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

To,
The Members,
Yash Chemex Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **YASH CHEMEX LIMITED**(herein after referred to as "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 my verification of the Yash Chemex Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Yash Chemex Limited ("the Company") for the financial year ended on 31st March, 2018 verified the provisions of the following acts and regulations and also their applicability as far as the Company is concerned during the period under audit:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992, ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable)
- (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable)and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not Applicable)

- (vi) Provisions of Reserve Bank of India Act, 1934 are specifically applicable to the Company.(Not Applicable)

- (vi) Employees Provident Fund and Miscellaneous Provisions Act, 1952; Employees State Insurance Act, 1948; Employees Liability Act, 1938; Equal Remuneration Act, 1976; Maternity Benefits Act, 1961; Minimum Wages Act, 1948 ; Payment of Bonus Act, 1965;Payment of Gratuity Act, 1972; Payment of Wages Act, 1936 and other applicable labour laws.(N.A)

- (vii) Environment Protection Act, 1986 and other environmental laws;

- (viii) Factories Act, 1948; - Not Applicable

- (ix) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003

- (x) Indian Contract Act, 1872;

- (xi) Income Tax Act, 1961 and Indirect Tax laws;

- (xii) Indian Stamp Act, 1999;

- (xiii) Industrial Dispute Act, 1947; -Not Applicable

- (xiv) Negotiable Instruments Act, 1881;

- (xv) Motor Vehicles Act, 1988

- (xvi) The Motor Transport Workers Act. 1961

- (xvii) The Explosive Act, 1884

- (xviii) The Petroleum Act, 1934

- (xix) The Environment (Protection) Act, 1986

(xx) The Water (Prevention and Control of Pollution) Act, 1974

(xxi) The Air (Prevention and Control of Pollution) Act, 1981

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

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. Provisions of SEBI (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. as mentioned above.

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. During the period under review, no changes took place in the composition of the Board of Directors and existing composition of the Board of Directors is 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 seven 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

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 Shareholder of the Company has approved the issue of bonus Share (6146055 Shares) in the ratio of 3:2 i.e. 3 Bonus shares at par fully paid up to be issued for every 2 fully paid up equity shares held by the members respectively in the Extra-ordinary general Meeting dated 20.02.2018. Except the bonus issue there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**Place: Wankaner
Dated: 29.05.2018**

**For, R K Choksi & Co.
Practicing Company Secretaries**

**Rutesh Choksi
Proprietor
ACS-47196 COP-17315**

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

Annexure-A

To,
The Members,
Yash Chemex Limited

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 process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
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 procedure 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.

Place: Wankaner
Dated: 29.05.2018

For, R K Choksi & Co.
Practicing Company Secretaries

Rutesh Choksi
Proprietor
ACS-47196 COP-17315

Annexure- C
Form No. MGT-9
Extract of Annual Return
As on Financial Year ended on 31st March 2018
[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]
I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L74110GJ2006PLC048385
ii.	Registration Date	03/06/2006
iii.	Name of the Company	YASH CHEMEX LIMITED
iv.	Category/Sub-Category of the Company	COMPANY LIMITED BY SHARES
v.	Address of the Registered office and contact details	411,SIGMAICON-1,OPP.MEDILINK HOSPITAL,SATELLITE, AHMEDABAD-380015.GUJARAT
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059. Maharashtra Tel:022-62638200; Fax:022-62638299; E-mail: ipo@bigshareonline.com Investor Grievance Email: Investor@bigshareonline.com Website: www.Bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr.No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Wholesale of industrial chemicals	51496	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE AND COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.	YasonsChemex Care Limited 4 th Floor, 412 Sigma Icon-1, 132ft Ring Road, opp. Medilink Hospital, Satellite, Ahmedabad-380015.	U24304GJ2017PLC099511	Subsidiary	50.98%	2(87)

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

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2017				No. of Shares held at the end of the year 31.03.2018				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	1917869		1917869	46.81	4929292		4929292	48.12	1.31
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	1917869	-	1917869	46.81	4929292		4929292	48.12	1.31
2) Foreign									
g) NRIs- Individuals	-	-	-	-	-	-	-	-	-
h) Other- Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	-	-	-	-	-	-	-	-	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	174000	-	174000	4.25	290740	-	290740	2.84	(1.41)
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	271146	-	271146	6.62	511621	-	511621	4.99	(1.62)
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1622000	-	1622000	39.59	4153319	-	4153319	40.55	0.96
c) Others									
i. Clearing Member	106355	-	106355	2.60	358453	-	358453	3.50	0.90
ii NRI	6000	-	6000	0.15	-	-	-	-	-
Sub-total(B)(2)	2179501	-	2179501	53.19	5314133	-	5314133	51.88	(1.31)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2179501		2179501	53.19	5314133		5314133	51.88	(1.31)
C. Shares held by Custodian for GDRs&ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4097370		4097370	100%	10243425		10243425	100%	

Note: - The Total number of Shares has increased due to issuance of bonus shares in March, 2018 in the ratio of 3:2

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Pritesh Y. Shah	597500	14.58	-	1538754	15.02	-	0.44
2.	Yashwantbhai C. Shah	241540	5.90	-	603850	5.90	-	-
3.	Pritesh Y. Shah-HUF	355999	8.69	-	948364	9.26	-	0.57
4.	Yashwantbhai C. Shah-HUF	292177	7.13	-	737942	7.20	-	0.07
5.	Dimple P. Shah	277700	6.78	-	780500	7.62	-	0.84
6.	Komal K. Shah	25000	0.6101	-	-	-	-	(0.6101)
7.	Chandrika Y. Shah	127953	3.13	-	319882	3.13	-	-
	Total	1917869	46.81%	-	4929292	48.12%	-	1.31

Note: - The Total number of Shares has increased due to issuance of bonus shares in March, 2018 in the ratio of 3:2

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. no	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Pritesh Y. Shah				
	At the beginning of the year	597500	14.58	597500	14.58
	Acquire from Open Market on 07.04.17	6000	0.15	603500	14.73
	Acquire from Open Market on 29.11.17	1500	0.04	605000	14.77
	Acquire from Open Market on 18.12.17	3000	0.07	608000	14.84
	Acquire from Open Market on 11.01.18	1500	0.04	609500	14.88
	Acquire from Open Market on 12.01.18	6000	0.15	612500	14.95
Bonus shares allotted on 17.03.18	923250	-	1538754	15.02	
At the end of the Year	1538754	15.02	1538754	15.02	
2.	Yashwantlal C. Shah				
	At the beginning of the year	241540	5.90	241540	5.90
	Bonus shares allotted on 17.03.18	362310	-	603850	5.90
At the end of the Year	603850	5.90	603850	5.90	
3.	Pritesh Y. Shah- HUF				
	At the beginning of the year	355999	8.69	355999	8.69
	Acquire from Open Market on 09.05.17	3000	0.07	358999	8.76
	Acquire from Open Market on 21.12.17	1500	0.04	360499	8.80
	Acquire from Open Market on 28.12.17	1500	0.04	361999	8.83
	Acquire from Open Market on 29.12.17	1500	0.04	363499	8.87
	Acquire from Open Market on 04.01.18	15811	0.39	379310	9.26
Bonus shares allotted on 17.03.18	569054	-	948364	9.26	
At the end of the Year	948364		948364	9.26	
4.	Yashwant C. Shah- HUF				
	At the beginning of the year	292177	7.13	292177	7.13
	Acquire from Open Market on 08.01.18	3000	0.07	295177	7.20
	Bonus shares allotted on 17.03.18	442766	-	737943	7.20
At the end of the Year	737943	7.20	737943	7.20	
5.	Dimple P. Shah				
	At the beginning of the year	277700	6.78	277700	6.78
	Acquire from Open Market on 07.04.17	6000	0.14	283700	6.92
	Acquire from Open Market on 18.04.17	6000	0.14	289700	7.07
	Acquire from Open Market on 20.04.17	6000	0.14	295700	7.22
	Acquire from Open Market on 09.05.17	3000	0.07	298700	7.29
	Acquire from Open Market on 05.07.17	3000	0.07	301700	7.36
	Acquire from Open Market on 29.11.17	1500	0.04	303200	7.40
	Acquire from Open Market on 28.12.17	1500	0.04	304700	7.44
	Acquire from Open Market on 29.12.17	3000	0.07	307700	7.51
Acquire from Open Market on 01.01.18	1500	0.03	309200	7.55	

	Acquire from Open Market on 03.01.18	1500	0.03	310700	7.58
	Acquire from Open Market on 09.01.18	1500	0.03	312200	7.62
	Bonus shares allotted on 17.03.18	468300	-	780500	7.62
	At the end of the Year	780500	7.62	780500	7.62
6.	Chandrika Y. Shah				
	At the beginning of the year	127953	3.13	127953	3.13
	Bonus shares allotted on 17.03.18	191929	-	191929	3.13
	At the end of the Year	319882	3.13	319882	3.13

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year		Date	Increase/D ecrease In Sharehold ing	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
	For Each of Top 10 the Shareholder							
1.	Lalit K. Patel	750000	7.32	21/07/17	(39000)	Sale	711000	6.94
				28/07/17	(24000)	Sale	687000	6.71
				04/08/17	(3000)	Sale	684000	6.68
				25/08/17	(6000)	Sale	678000	6.62
				01/09/17	(18000)	Sale	660000	6.44
				08/09/17	(15000)	Sale	645000	6.30
				15/09/17	(21000)	Sale	624000	6.09
				21/09/17	(51000)	Sale	573000	5.59
				28/09/17	(9000)	Sale	564000	5.51
				29/09/17	(3000)	Sale	561000	5.48
				29/12/17	(1500)	Sale	559500	5.46
				05/01/18	(1500)	Sale	558000	5.45
				12/01/18	(18000)	Sale	540000	5.27
				19/01/18	(30000)	Sale	510000	4.98
				26/01/18	(61500)	Sale	448500	4.38
				02/02/18	(27000)	Sale	421500	4.11
				17/03/18	632250	Bonus allotted	1053750	10.29
				31/03/18	632250	Closing	1053750	10.29
2.	Jay L. Patel	222000	2.17	21/07/17	(51000)	sale	171000	1.67
				28/07/17	(12000)	sale	159000	1.55
				04/08/17	(3000)	sale	156000	1.52
				09/03/18	(3000)	sale	153000	1.49
				15/03/18	(6000)	sale	147000	1.44
				17/03/18	220500	Bonus allotted	367500	3.59
				31/03/18	220500	Closing	367500	3.59

3.	Navinbhai G. Patel	50000	0.49	30/06/17	25000	Purchase	75000	0.73				
				28/09/17	(3000)	Sale	72000	0.70				
				01/12/17	(1500)	Sale	70500	0.69				
				08/12/17	(9000)	Sale	61500	0.60				
				15/12/17	(3000)	Sale	58500	0.57				
				22/12/17	(4500)	Sale	54000	0.53				
				02/02/18	1500	Purchase	55500	0.54				
				15/03/18	(3000)	Sale	52500	0.51				
				17/03/18	78750	Bonus allotted	131250	1.28				
				31/03/18	78750	Closing	131250	1.28				
				4.	Rinaben B. Darji	50000	0.49	20/10/17	(3000)	Sale	47000	0.49
27/10/17	(3000)	Sale	44000					0.43				
31/10/17	(3000)	Sale	41000					0.40				
10/11/17	(3000)	Sale	38000					0.37				
05/01/18	(1500)	Sale	36500					0.36				
20/02/18	10500	Purchase	47000					0.46				
09/03/18	(7500)	Sale	39500					0.39				
15/03/18	6000	Purchase	45500					0.44				
17/03/18	68250	Bonus allotted	113750					1.11				
23/03/18	(66750)	Sale	47000					0.46				
31/03/18	70500	purchase	117500					1.15				
5.	Kishorkumar V. Rakholiya	100000	0.98	28/09/17	(24000)	Sale	76000	0.74				
				02-02-18	3000	Purchase	79000	0.77				
				09-02-18	3000	Purchase	82000	0.80				
				16-02-18	(9000)	Sale	73000	0.71				
				20-02-18	(9000)	Sale	64000	0.62				
				23-02-18	(7500)	Sale	56500	0.55				
				09-03-18	(15000)	Sale	41500	0.41				
				17-03-18	62250	Bonus Allotted	103750	1.01				
				31-03-18	62250	closing	103750	1.01				
				6.	Ambuja Metal Industries Pvt. Ltd.	102000	1.00	11/08/17	(25000)	Sale	77000	0.75
								21/09/17	(23000)	Sale	54000	0.53
06/10/17	(9000)	Sale	45000					0.44				
21/11/17	12000	Purchase	57000					0.56				
09/03/18	(57000)	Sale	0					0				
15/03/18	28500	Purchase	28500					0.28				
17/03/18	42750	Bonus allotted	71250					0.70				
31/03/18	42750	closing	71250					0.70				

7.	BP Equities Pvt. Ltd.	0	0	09/06/17	3000	Purchase	3000	0.03
				16/06/17	3000	Purchase	6000	0.06
				14/07/17	3000	Purchase	9000	0.09
				28/09/17	(9000)	Sale	0	0
				13/10/17	3000	Purchase	3000	0.03
				10/11/17	3000	Purchase	6000	0.06
				17/11/17	(1500)	Sale	4500	0.04
				15/12/17	(1500)	Sale	3000	0.03
				02/02/18	7500	Purchase	10500	0.10
				09/02/18	37500	Purchase	48000	0.47
				20/02/18	(3000)	Sale	45000	0.44
				23/02/18	10500	Purchase	55500	0.54
				09/03/18	(13500)	Sale	42000	0.41
				15/03/18	3750	Purchase	45750	0.45
				17/03/18	68625	Bonus allotted	114375	1.12
				23/03/18	(72375)	Sale	42000	0.41
				30/03/18	66375	Purchase	108375	1.06
31/03/18	(7500)	Sale	100875	0.98				
8.	Bhavesh PareshbhaiDarji	50000	0.49	20/10/17	(3000)	Sale	47000	0.46
				27/10/17	(6000)	Sale	41000	0.40
				31/10/17	(3000)	Sale	38000	0.37
				05/01/18	(1500)	Sale	36500	0.36
				12/01/18	(1500)	Sale	35000	0.34
				09/02/18	3000	Purchase	38000	0.37
				09/03/18	(3000)	Sale	35000	0.34
				15/03/18	1500	Purchase	36500	0.36
				17/03/18	54750	Bonus allotted	91250	0.89
				23/03/18	(54750)	Sale	36500	0.36
				31/03/18	58500	Purchase	95000	0.93
9.	Savitaben M. Patel	0	0	11/08/17	9000	Purchase	9000	0.09
				18/08/17	9000	Purchase	18000	0.18
				21/09/17	3000	Purchase	21000	0.21
				06/10/17	11476	Purchase	32476	0.32
				13/10/17	3524	Purchase	36000	0.35
				17/03/18	54000	Bonus allotted	90000	0.88
				31/03/18	54000	closing	90000	0.88
10.	Shaileshbhai K. Patel	0	0	21/07/17	6000	Purchase	6000	0.06
				28/07/17	3000	Purchase	9000	0.09
				25/08/17	3000	Purchase	12000	0.12
				22/09/17	3000	Purchase	15000	0.15
				28/09/17	6000	Purchase	21000	0.21
				06/10/17	2273	Purchase	23273	0.23
				13/10/17	6727	Purchase	30000	0.29
				27/10/17	3000	Purchase	33000	0.32
				17/03/18	49500	Bonus allotted	82500	0.81
				31/03/18	49500	closing	82500	0.81

11.	Vijaykumar K. Patel	0	0	14/07/17	9000	Purchase	9000	0.09
				21/07/17	6000	Purchase	15000	0.15
				08/09/17	6000	Purchase	21000	0.21
				21/09/17	3000	Purchase	24000	0.23
				28/09/17	3000	Purchase	27000	0.26
				06/10/17	6000	Purchase	33000	0.32
				17/03/18	49500	Bonus Allotted	82500	0.81
				31/03/18	49500	Closing	82500	0.81
12.	KantibhaiM. Patel	48000	0.47	16/02/18	(4500)	Sale	43500	0.42
				20/02/18	(4500)	Sale	39000	0.38
				02/03/18	(3000)	Sale	36000	0.35
				09/03/18	(25500)	Sale	10500	0.10
				17/03/18	15750	Bonus allotted	26250	0.26
				31/03/18	15750	closing	26250	0.26
13.	Karvy Stock Broking Limited-Client Account	36000	0.35	07/04/17	(6000)	Sale	30000	0.29
				21/04/17	6000	Purchase	36000	0.35
				28/04/17	(18000)	Sale	18000	0.18
				05/05/17	6000	Purchase	24000	0.23
				12/05/17	(15000)	Sale	9000	0.09
				19/05/17	3000	Purchase	12000	0.12
				26/05/17	3000	Purchase	15000	0.15
				09/06/17	6000	Purchase	21000	0.21
				16/06/17	(21000)	Sale	0	0
				23/06/17	3000	Purchase	3000	0.03
				30/06/17	6000	Purchase	9000	0.09
				07/07/17	6000	Purchase	15000	0.15
				14/07/17	(9000)	Sale	6000	0.06
				21/07/17	9000	Purchase	15000	0.15
				28/07/17	9000	Purchase	24000	0.23
				25/08/17	(6000)	Sale	18000	0.18
				08/09/17	(6000)	Sale	12000	0.12
				15/09/17	18000	Purchase	30000	0.29
				28/09/17	(3000)	Sale	27000	0.26
				29/09/17	6000	Purchase	33000	0.32
				06/10/17	(18000)	Sale	15000	0.15
				13/10/17	6000	Purchase	21000	0.21
				20/10/17	3000	Purchase	24000	0.23
				27/10/17	(3000)	Sale	21000	0.21
				03/11/17	3000	Purchase	24000	0.23
				17/11/17	(1500)	Sale	22500	0.22
				21/11/17	(3000)	Sale	21000	0.21
				24/11/17	(3000)	Sale	18000	0.18
				08/12/17	(1500)	Sale	16500	0.16
				22/12/17	1500	Purchase	18000	0.18
29/12/17	4500	Purchase	22500	0.22				
12/01/18	(1500)	Sale	21000	0.21				
19/01/18	(4500)	Sale	16500	0.16				
26/01/18	(1500)	Sale	15000	0.15				
02/02/18	4500	Purchase	19500	0.19				

				09/02/18	(3000)	Sale	16500	0.16
				16/02/18	3000	Purchase	19500	0.19
				20/02/18	(3000)	Sale	16500	0.16
				23/02/18	3000	Purchase	19500	0.19
				02/03/18	(6000)	Sale	13500	0.13
				09/03/18	4500	Purchase	18000	0.18
				15/03/18	(13500)	Sale	4500	0.04
				17/03/18	6750	Bonus allotted	11250	0.11
				23/03/18	9750	Purchase	1500	0.01
				31/03/18	10500	purchase	12000	0.12
14.	Sangita C. Patel	25000	0.24	26/01/18	(1500)	Sale	23500	0.23
				02/02/18	1500	Purchase	25000	0.24
				17/03/18	37500	Bonus allotted	62500	0.61
				23/03/18	(37500)	Sale	25000	0.24
				31/03/18	37500	purchase	62500	0.61
15.	Chandresh G. Patel	25000	0.24	06/10/17	(3000)	Sale	22000	0.21
				08/12/17	(16500)	Sale	5500	0.05
				17/03/18	8250	Bonus Allotted	13750	0.13
				31/03/18	13750	closing	13750	0.13
16.	Dipti N. Patel	25000	0.24	30/06/17	(25000)	Sale	0	0
				31/03/18	0			

V Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors & KMP				
1.	Pritesh Y. Shah				
	At the beginning of the year	597500	14.58	597500	14.58
	Acquire from Open Market on 07.04.17	6000	0.15	603500	14.73
	Acquire from Open Market on 29.11.17	1500	0.04	605000	14.77
	Acquire from Open Market on 18.12.17	3000	0.07	608000	14.84
	Acquire from Open Market on 11.01.18	1500	0.04	609500	14.88
	Acquire from Open Market on 12.01.18	6000	0.15	612500	14.95
	Bonus shares allotted on 17.03.18	923250	-	1538754	15.02
	At the end of the Year	1538754	15.02	1538754	15.02
2.	Yashwantlal C. Shah				
	At the beginning of the year	241540	5.90	241540	5.90
	Bonus shares allotted on 17.03.18	362310	-	603850	5.90
	At the end of the Year	603850	5.90	603850	5.90
3.	Dimple P. Shah ¹				
	At the beginning of the year	277700	6.78	277700	6.78
	Acquire from Open Market on 07.04.17	6000	0.14	283700	6.92
	Acquire from Open Market on 18.04.17	6000	0.14	289700	7.07
	Acquire from Open Market on 20.04.17	6000	0.14	295700	7.22

	Acquire from Open Market on 09.05.17	3000	0.07	298700	7.29
	Acquire from Open Market on 05.07.17	3000	0.07	301700	7.36
	Acquire from Open Market on 29.11.17	1500	0.04	303200	7.40
	Acquire from Open Market on 28.12.17	1500	0.04	304700	7.44
	Acquire from Open Market on 29.12.17	3000	0.07	307700	7.51
	Acquire from Open Market on 01.01.18	1500	0.03	309200	7.55
	Acquire from Open Market on 03.01.18	1500	0.03	310700	7.58
	Acquire from Open Market on 09.01.18	1500	0.03	312200	7.62
	Bonus shares allotted on 17.03.18	468300	-	780500	7.62
	At the end of the Year	780500	7.62	780500	7.62
4.	Raj V. Shah¹				
	At the beginning of the year	12000	0.29	12000	0.29
	Bonus shares allotted on 17.03.18	18000	-	30000	0.29
	At the end of the Year	30000	0.29	30000	0.29

1Mrs. Dimple P. Shah was resigned from the Directorship w.e.f 09.12.2017 due to Pre-occupation else where and Mr. Raj V. Shah was appointed as Director w.e.f 18.12.2017.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,25,15,666	69,71,425	-	2,94,87,091
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)	2,25,15,666	69,71,425	-	2,94,87,091
Change in Indebtedness during the financial year				
- Addition	79,79,03,225	4,55,506	-	79,83,58,731
- Reduction	(80,27,86,208)	(56,59,514)		(80,84,45,722)
Net Change	(48,82,983)	(52,04,008)	-	(1,00,86,991)
Indebtedness at the end of the financial year				
i) Principal Amount	1,76,32,683	17,67,417	-	1,94,00,100
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	1,76,32,683	17,67,417	-	1,94,00,100

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Pritesh Y. Shah (Managing Director)	Yashwantlal C. Shah (Whole time Director)	
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14,00,0000	9,50,000	23,50,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
6.	Total(A)	14,00,0000	9,50,000	23,50,000
	Ceiling as per the Act			

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Angee R. Shah	Vrusha A. Patel	Jinal D. Shah	
	Independent Directors				-
	· Fee for attending board committee meetings · Commission · Others, please specify	12500	12000	15000	39500
	Total(1)	12500	12000	15000	39500
	<u>Other Non-Executive Directors</u> · Fee for attending board committee	-	-	-	-

	meetings ·Commission ·Others, please specify			-	
	Total(2)	-	-	-	-
	Total (B)=(1+2)	12500	12000	15000	39500
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act				

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
	Name	Aesha Mashru	Kiritkumar H. Shah	
1.	Gross salary (a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2) Income-tax Act, 1961 (c)Profits in lieu of salary under section 17(3) Income-tax Act, 1961	204000	300000	504000
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as% of profit -others, specify...			
5.	Others, please specify			
6.	Total	204000	300000	504000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers In Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

By Order of the Board of Directors
For, **YASH CHEMEX LIMITED**

Sd/-
Pritesh Y. Shah
Managing Director
DIN: 00239665

Sd/-
Yashwantlal C. Shah
Chairman & Whole time Director
DIN: 01002342

Place: Ahmedabad
Date: 29.05.18

Annexure- D

Management Discussion and Analysis

Financial and Operational Performance

The overview of financial Performance of the Company can be obtained from the Board's Report.

Industry Structure & Developments

Global Economy

The global economic activity is picking up with a long awaited cyclical recovery in investment, trade and manufacturing, which needs to be supported by new fiscal initiatives. As per data, 2017 marked a year of acceleration and it is anticipated that the trend will continue with GDP growth likely to be pushing upto 3.9% in 2018. Energy and commodity prices rejoice in an upturn, supporting investments. Growth results are seen to be broad based and includes advanced as well as emerging economies in its tide. Trade growth in 2018 is likely to fall within a range from 3.1% to 5.5% if current GDP forecasts come to pass, although a continued escalation of trade restrictive policies could lead to a significantly lower figure.

Indian Economy

The Government implemented the Goods and Services Tax, touted as the single biggest taxation reform in the country, with an aim to create a seamless unified market for the \$2 trillion Indian economy. India joined the league of select countries like the US and Australia where fuel prices are revised daily. In October 2017, the Finance Ministry announced a mega Rs. 2.11 lakh crore recapitalization plan for PSU Banks over the next two years. The Insolvency and Bankruptcy Code 2016 (IBC) was brought into effect to protect the investment of small investors and make the process of doing business less cumbersome process. The IBC has been touted as a landmark reform in the banking sector and provides sweeping powers to the Central Bank to accelerate cleaning up of non-performing assets from the system. These reforms are considered to bring positive trend in the gross development of the nation.

The Chemical sector in India has registered a growth due to structural advantage, high domestic consumption, diversified industry and promising export potential. The Government policies in recognizing Chemical industry as a key growth element of Indian economy with 100% FDI has shown considerable positive response. Manufacture of most of chemical product is delicensed. Chemical industry in India is the third largest producer in Asia and sixth largest in the world. It is expected to double its share in global chemical industry 5-6% by 2021 registering growth of 8-9% in the next decade. Number of MNCs are focusing on India for their manufacturing hub. Lower cost of labour, availability of key raw materials, large consumer markets and adaptability to technology are some main attractions for having a strong manufacturing base in India.

Opportunities and Threats

Opportunities

1. A large domestic market fueled by rising incomes in urban and rural areas.
2. Formalisation of the economy and the unified GST levels the playing field, thus enabling your Company to access newer markets and segments.

3. Access to international selling and sourcing markets is a key success factor and vital for the Chemical Industry.

Threats

1. Chemical companies are affected by environmental regulation. However, awareness about the regulations and their positive effects on the Company will add to value creation and growth.
2. The public image of the chemical industry is a barrier, because people are afraid of chemicals in their neighborhood whether they are hazardous or not. It becomes difficult to position the chemical industry as a sustainable and secure workplace.
3. Most of the chemical companies in India are smaller in scale as compared to their global counterparts. As the global companies enter and strengthen their presence in the Indian market, they will also invest in marketing, distribution and production systems that local companies may struggle to match.
4. Cost of compliance makes operations uneconomical and unviable for small players.

Internal Control Systems and their adequacy

In Yash Chemex Limited, the Chief Financial Officer continuously monitors the effectiveness of the internal controls with an objective to provide to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organization's risk management, control and governance processes. The division also assesses opportunities for improvement in business processes, systems & controls; provides recommendations, designed to add value to the organization and follows up on the implementation of corrective actions and improvements in business processes after review by the Audit Committee and Senior Management.

The Audit Committee also meets the company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal controls and systems followed by the company. The Audit Committee's observations and suggestions are acted upon by the Management.

RISKS AND CONCERNS/CHALLENGES

The Company's business is exposed to both external and internal risks. These risks could result in variance in actual results and historical results. In line with this, your Company framed a detailed Risk Management Policy which identifies the various types of risks at all levels of the Company.

Early risk identification along with appropriate measures has enabled the Company to mitigate all threats which may arise from time to time. Also, the possibility of occurrence of the risk event and the magnitude of their consequences on the organization is determined and used to prioritize risk management.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

Transformation of a nation or a company cannot sustain without wholehearted people participation. The capabilities of our people have brought us this far, and we will continue to invest in developing our teams to enhance their efficiency and introduce industry-leading practices. With strong focus on developing skills and capabilities of our employees, we have invested significantly in building strong knowledge resources within the organization. As on 31st March, 2018, the Company had 12 on-roll employees.

OUTLOOK

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

CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis and Board's Report describing the Companies Strengths, strategies, projection and estimate are forward looking and progressive within the meaning of all applicable laws and regulation. Actual results may vary depending upon the various aspects of the economic such as Government policies, Rules and Regulations, economic conditions and other incidental factors. Important factors that could make a difference to our Company's operations include rawmaterial availability and prices, cyclical demand and pricing in our principal markets, changes in government regulations, tax regimes, economic developments within India and outside the countries in which we conduct business and other incidental factors. Management will not be in anyway responsible for the actions taken based on such statements.

By Order of the Board of Directors
For, **YASH CHEMEX LIMITED**

Sd/-
Pritesh Y. Shah
Managing Director
DIN: 00239665

Sd/-
Yashwantlal C. Shah
Chairman & Whole time Director
DIN: 01002342

Place: Ahmedabad
Date: 29.05.18

Annexure- E
DISCLOSURE 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

- a. The percentage increase in the remuneration of each director and the ratio of the remuneration of each director to the median remuneration of the employees of the Company:

Sr. No.	Name of the Director	Designation	Remuneration for the financial year 2017-18 (Rs. In Lakhs)	% increase of the remuneration in financial year 2017-18	Ratio of remuneration to median remuneration of the employee
1.	Mr. Yashwantlal C. Shah	Chairman & Whole time Director	9.5	26.67	5.31:1
2.	Mr. Pritesh Y. Shah	Managing Director	14	75	7.83:1
3.	Mrs. Dimple P. Shah	Director	4.16	0	2.33:1
4.	Mr. Raj V. Shah	Additional Director	0.71	0	0.39:1

*Mrs. Dimple P. Shah was originally appointed on Board w.e.f. 01.01.2016 and had resigned from Directorship w.e.f 09.12.2017 due to Pre-occupation elsewhere.

*Mr. Raj V. Shah was appointed on the Board of our Company w.e.f 18.12.2017.

The median remuneration of the employees of the Company as on 31st March, 2018 was Rs. 1.79 Lakhs.

- b. The percentage increase in the remuneration of KMP:

Sr. No.	Name of the KMP	Designation	Remuneration for the financial year 2017-18 (Rs. In Lakhs)	% increase of the remuneration in financial year 2017-18	Ratio of remuneration to median remuneration of the employees
1.	Kiritkumar H. Shah	Chief Financial Officer	3	0	1.68:1
2.	Aesha J. Mashru	Company Secretary	2.04	83.78	1.14:1

- c. The percentage increased in the median remuneration of employees is 30.99%
- d. The total number of permanent employees on the rolls of the Company: 12

- e. The average percentile increase already made in the salaries of the employees other than the managerial personnel in the 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 remuneration.
- Average increase in the remuneration of all employees excluding KMP is 8.13 %.
 - Average increase in the remuneration of KMP is 19.05 %.
 - Increase in salary is based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.
- f. It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

By Order of the Board of Directors
For, **YASH CHEMEX LIMITED**

Sd/-
Pritesh Y. Shah
Managing Director
DIN: 00239665

Sd/-
Yashwantlal C. Shah
Chairman & Whole time Director
DIN: 01002342

Place: Ahmedabad
Date: 29.05.18

Independent Auditors' Report

TO THE MEMBERS OF YASH CHEMEX LIMITED

Report On the Standalone Financial Statements

We have audited the accompanying financial statements of Yash Chemex Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss for the year ended, the cash flow statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2018 and its profit and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A hereto, a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

2. As required by section 143(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c. the Balance Sheet and Statements of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d. in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the companies (Accounts) Rules, 2014.
- e. on the basis of written representations received from the directors as on 31st March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The company has disclosed the impact of pending litigation as at 31st March, 2018 on its financial position in its financial statements.
- ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- lii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company during the year ended 31st March, 2018.

For **Harshad Sudhir & Co**

Chartered Accountants

(Firm's Registration No. 129775W)

(Sudhir S. Shah)

(Partner)

(Membership No. 115947)

Ahmedabad

29TH May, 2018

ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT

(Annexure referred to in paragraph 1 under the heading of “report on other Legal and Regulatory Requirements” of our report of even date to the members of Yash Chemex Limited on the Standalone Financial Statements for the year ended 31st March, 2018)

i. In respect to Fixed assets:

- a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b. As explained to us, all the fixed assets have been physically verified by the management in accordance with the program of verification, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification as compared with the available records.

ii. In respect of its inventories:

- a. Inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. On the basis of our examination of inventory records, we are of the opinion that the Company is maintaining proper records of inventory. As explained to us, no material discrepancies were noticed on physical verification of the inventories, as compared to book records maintained.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, this clause is not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v. The Company has not accepted any deposit during the year. Therefore, the provisions of clause (v) of paragraph 3 of the said Order are not applicable to the company.

- vi. According to the information and explanations given to us, Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of activities carried on by the company. Therefore the provisions of clause (vi) of paragraph 3 of the said Order are not applicable to the company.
- vii. **In respect to Statutory dues:**
- a. According to the records of the company, the company has been generally regular during the year in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Value Added tax, Cess and any other statutory dues as applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2018 for a period of more than six months from the date of becoming payable.
- b. In our opinion and according to the information and explanations given to us, there are no disputed dues in respect of sales tax, Income Tax, excise duty, Service Tax, Cess and other statutory dues payable by the company as on 31st March, 2018.
- viii. In our opinion and according to the information and explanation given to us, the company has not defaulted in the repayment of loans or borrowing to banks or financial institutions. The company has not issued any debentures.
- ix. According to the information and explanations given to us the company had not raised any money by way of initial public offer during the year.
- x. Based upon the audit procedures performed for the purposes of reporting the true and fair view of the Standalone Financial Statements and as per the information and explanations even by the management, we report that no fraud by the Company and no material fraud on the Company has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid or provided managerial remuneration in accordance with the provision of Section 197 read with Schedule V to the act.
- xii. In our opinion and according to the information and explanation given to us, the company is not a nidhi company. Accordingly paragraph 3(xii) of the order is not applicable.

- xiii.** In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial statements as required by the applicable Accounting Standards.
- xiv.** Based upon the audit procedures performed and the information and explanation given by the management, the company has not made any preferential allotment or private placement of shares or partly convertible debenture during the year.
- xv.** Based upon the audit procedures performed and the information and explanation given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the order are not applicable to the company and hence not commented upon.
- xvi.** In our opinion, the company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the order are not applicable to the company and hence not commented upon.

For **Harshad Sudhir & Co**

Chartered Accountants

(Firm's Registration No. 129775W)

(Sudhir S. Shah)

(Partner)

(Membership No. 115947)

Ahmedabad

29th May, 2018

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Yash Chemex Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal 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. 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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.

For **Harshad Sudhir & Co**

Chartered Accountants

(Firm's Registration No. 129775W)

(Sudhir S. Shah)

(Partner)

(Membership No. 115947)

Ahmedabad

29th May, 2018

Balance Sheet as at 31st March, 2018

[Amount in `]

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017
Equity and Liabilities			
Shareholders' Fund			
Share Capital	2.1	10,24,34,250	4,09,73,700
Reserves and Surplus	2.2	<u>4,01,75,105</u>	<u>9,13,26,562</u>
		14,26,09,355	13,23,00,262
Current liabilities			
Defferd Tax Liability (Net)	2.3	10,980	0
Short term borrowings	2.4	1,94,00,100	2,94,87,091
Trade payables	2.5	19,51,22,421	25,56,64,245
Other current liabilities	2.6	4,78,987	24,83,641
Short term provisions	2.7	<u>61,56,000</u>	<u>28,78,000</u>
		22,11,68,488	29,05,12,977
Total		<u>36.37.77.843</u>	<u>42.28.13.239</u>
Assets			
Non-Current assets			
Fixed assets			
Tangible assets	2.8	32,23,472	34,12,569
Non current Investments	2.9	3,12,90,000	0
Long Term Loans and Advances	2.10	6,80,189	1,50,000
Deffered Tax Assets (net)	2.3	<u>0</u>	<u>6,973</u>
		3,51,93,661	35,69,542
Current Assets			
Inventories	2.11	3,14,01,074	2,93,19,959
Trade receivables	2.12	28,93,53,177	38,30,76,570
Cash & cash equivalents	2.13	11,47,803	15,33,601
Short term - Loans & advances	2.14	<u>66,82,127</u>	<u>53,13,567</u>
		32,85,84,182	41,92,43,697
Total :		<u>36.37.77.843</u>	<u>42.28.13.239</u>
Significant Accounting Policies	1		
Notes forming part of accounts	2		
The accompanying notes are an integral part of the financial statements.			

As per our attached report of even date

FOR HARSHAD SUDHIR & CO.
 [Firm Registration No. 129775W]
Chartered Accountants
FOR AND ON BEHALF OF THE BOARD
Sudhir S. Shah
Partner
 Mem. No. 115947

Pritesh Y. Shah
Managing Director
 DIN:00239665

Yashwantlal C. Shah
Chairman & Whole time Director
 DIN:01002342

 Kiritbhai H. Shah
 Chief Financial Officer

 Aesha Mashru
 Company Secretary

 Ahmedabad
 29th May, 2018

 Ahmedabad
 29th May, 2018

Statement of Profit and Loss for the period ended 31st March, 2018

[Amount in `]

Particulars	Notes	2017-18	2016-17
Income			
Revenue from operations	2.15	95,58,95,687	85,26,92,955
Less: Excise Duty		1,64,33,720	7,28,68,645
Goods and Service Tax		<u>10,92,21,216</u>	<u>0</u>
		83,02,40,751	77,98,24,310
Other Income	2.16	<u>90,58,675</u>	<u>72,08,855</u>
Total Revenue		83,92,99,426	78,70,33,165
Expenses			
Purchase of Stock-in-Trade	2.17	80,57,35,597	66,90,11,848
Inventory	2.18	(20,81,115)	8,55,79,226
Employee benefits	2.19	45,41,393	35,89,716
Finance costs	2.20	28,00,810	43,78,636
Depreciation and amortization expenses		3,03,268	3,58,859
Direct, Administrative and other expenses	2.21	<u>97,90,398</u>	<u>1,49,83,496</u>
Total Expenses		82,10,90,352	77,79,01,781
Profit/ (Loss) Before Extraordinary items & Tax		1,82,09,074	91,31,383
Exceptional & Extraordinary items		<u>0</u>	<u>0</u>
Profit Before Tax		1,82,09,074	91,31,383
Tax Expenses	2.22		
Current Tax		61,56,000	28,78,000
Income Tax of Earlier Years		0	4,455
Deferred Tax		<u>17,953</u>	<u>22,931</u>
		61,73,953	29,05,386
Profit/(Loss) after tax		1,20,35,121	62,25,997
Balance Carried to Balance Sheet		1,20,35,121	62,25,997
Earnings per equity share:			
Basic and diluted		1.17	0.62

**Significant Accounting Policies
Notes forming part of accounts**

 1
2

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

FOR HARSHAD SUDHIR & CO.
 [Firm Registration No. 129775W]
Chartered Accountants
FOR AND ON BEHALF OF THE BOARD
Sudhir S. Shah
Partner
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 Aesha Mashru
 Company Secretary

 Ahmedabad
 29th May, 2018

 Ahmedabad
 29th May, 2018

Cash Flow Statement for the year ended 31st March,2018
(Amt in Rs)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017	
I. Net Profit Before Tax and Extraordinary items	1,82,09,074	91,31,383	
Adjustments for non-cash and non-operative items			
Depreciation	3,03,268	3,58,859	
Other Income (Interest and Investment income)	(2,033)	(3,07,765)	
Interest Paid	28,00,810	43,78,636	
Operating Profit/(Loss) Before Working Capital Changes:	2,13,11,119	1,35,61,113	
Adjustments for working capital changes:			
(Increase)/Decrease in Inventory	(20,81,115)	8,55,79,226	
Increase/(Decrease) in Trade payables	(6,05,41,824)	(5,41,75,924)	
Increase/(Decrease) in Other Current Liabilities	(20,04,654)	6,32,742	
Increase/(Decrease) in Short Term Provisions	32,78,000	14,51,013	
(Increase)/Decrease in Trade Receivables	9,37,23,393	(6,36,07,114)	
(Increase)/Decrease in Loans And Advances	(13,68,560)	62,67,196	
Increase/(decrease) in Borrowings	(1,00,86,991)	(86,91,157)	
	2,09,18,248	(3,25,44,018)	
Cash Flow from Operating activities before tax:	4,22,29,368	(1,89,82,905)	
Less: Income Tax Paid	61,56,000	28,82,455	
Net Cash Flow from Operating Activities : (A)	3,60,73,368	(2,18,65,360)	
II. Cash Flow from Investing Activities :			
Purchase of Fixed Assets	(1,14,171)	-	
(Increase)/Decrease in Long Term Loans And Advances	(5,30,189)	9,56,000	
(Increase)/Decrease in Non Current Investments	(3,12,90,000)	-	
Net Cash Flow from Investing Activities : (B)	(3,19,34,360)	9,56,000	
III. Cash Flow from Financing Activities :			
Increase in Share Capital & Share Premium	-	2,51,16,000	
Interest Received	2,033	3,07,765	
Interest Paid	(28,00,810)	(43,78,636)	
Dividend Paid with Corporate Tax	(17,26,029)	-	
Net Cash Flow from Financing Activities :(C)	(45,24,806)	2,10,45,129	
Net Increase/ (Decrease) in cash and Cash Equivalents (A+B+C)	(3,85,798)	1,35,769	
Opening Balance of Cash and Cash Equivalents	15,33,601	13,97,832	
Closing Balance of Cash and Cash Equivalents	11,47,803	15,33,601	
Net Position	(3,85,798)	1,35,769	

FOR HARSHAD SUDHIR & CO.
[Firm Registration No. 129775W]
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Sudhir S. Shah
Partner
Mem. No. 115947

Pritesh Y. Shah
Managing Director
DIN:00239665

Yashwantlal C. Shah
Chairman & Whole time Director
DIN:01002342

Kiritbhai H. Shah
Chief Financial Officer

Aesha Mashru
Company Secretary

Ahmedabad
29th May, 2018

Ahmedabad
29th May, 2018

NOTE ' 1 ' : SIGNIFICANT ACCOUNTING POLICIES**1) Basis of Preparation of Financial Statements:**

The financial statements are prepared under the historical cost convention on an accrual basis and in accordance with generally accepted accounting principles in India (GAAP) and in compliance with the applicable accounting standards and provisions of the Companies Act, 2013 (here after referred to 'the Act')

2) Use of Estimates:

The presentation of financial statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognised in the period in which the results are known/determined.

3) Valuation of Tangible Fixed Assets:

Fixed Assets are stated at their original cost including incidental expenses related to acquisition and installation, less accumulated depreciation, amortization and impairment of loss if any. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.

4) Depreciation of Tangible Fixed Assets:

Depreciation on fixed assets has been charged on Written Down value basis, as per the useful life of assets notified in Schedule II of the Companies Act, 2013. Assets with the individual value of less than Rs. 5000 are depreciated fully in the year of addition.

5) Investments:

Investments are valued at cost. Investments have been classified as long term investments in view of intention of company to hold the same on long term basis. Provision for diminution in the value of long term investments is made only if, such decline is not temporary in nature in the opinion of management. However, during the year there was no investment made by the company as per information and explanation provided to us.

6) Valuation of Inventories:

Inventories are valued at cost or Net Realizable value whichever is lower.

7) Revenue Recognition:

All expenses and incomes to the extent considered payable or receivable respectively are accounted for on accrual basis. Sales are net of trade discounts and returns.

8) Taxation:

Income Taxes are accounted for in accordance with Accounting Standard (AS 22) – “Accounting for Taxes on Income”, as notified under the Companies (Accounting Standards) Rules, 2006. Income Tax comprises both current and deferred tax.

- (i) Current year tax is provided based on taxable income computed in accordance with the provision of the Income- tax Act, 1961.
- (ii) Differed tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Differed tax assets are recognized on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be against which such deferred tax assets can be realized.

9) Foreign Currency Transaction

Foreign currency transactions are recorded in the books at rates prevailing on the date of transaction. Current assets and liabilities wherever receivable or payable in foreign currencies are translated at exchange rates prevailing on the Balance Sheet date and the loss or gain arising out of such transaction is adjusted in the Profit and Loss account.

10) Impairment of Assets:

An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

11) Retirement Benefits:

As certified by the management, the company has no liability under the Provident Fund & Super Annuation Fund Act as the said acts do not apply to the company. Gratuity, Leave Encashment and other retirement benefits if any are accounted on cash basis.

12) Earnings per Share:

The basic and diluted earnings per share (EPS) is computed by dividing Net Profit after tax for the year by weighted average number of equity shares outstanding during the year.

13) Contingent Liabilities :

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

YASH CHEMEX LIMITED
2 Notes forming part of accounts
2.1 Share Capital

[Amount in `]

Particulars	As at	As at
	31st March, 2018	31st March, 2017
(a) Authorised		
1,10,00,000 (P.Y. 45,00,000) Equity shares of Rs. 10/- each	11,00,00,000	4,50,00,000
	11,00,00,000	4,50,00,000
(b) Issued, Subscribed and fully Paidup		
1,02,43,425 (P.Y. 40,97,370) Equity Shares of Rs 10/- each Fully Paid up	10,24,34,250	4,09,73,700
	10,24,34,250	4,09,73,700

(c) Reconciliation of number of shares

Particulars	Number of Equity Shares	
	31st March, 2018	31st March, 2017
At the beginning of the year	40,97,370	30,05,370
Add		
Shares issued for Cash (IPO)	0	10,92,000
Shares issued as Bonus	61,46,055	0
At the end of the year	1,02,43,425	40,97,370

(d) Rights, Preferences and Restrictions

The Company has only one class of equity shares having par value of ` 10/- per share. Each equity shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, if any, in proportion to their shareholding.

(e) Details of Shareholdings
Shareholders holding more than 5% shares

Particulars	Number of Equity Shares		% of Holding	
	As at		As at	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Pritesh Y Shah	1538754	597500	15.02	14.58
Pritesh Y Shah HUF	948364	367999	9.26	8.98
Yashvantbhai C Shah HUF	737942	292177	7.20	7.13
Yashvantbhai C Shah	603850	241540	5.90	5.90
Dimple P Shah	780500	277700	7.62	6.78
Jay Lalit Patel	367500	222000	3.59	5.42
Lalit K Patel	1053750	750000	10.29	18.30

YASH CHEMEX LIMITED
2 Notes forming part of accounts

- (f) Aggregate Number of bonus shares issued, Shares issued for consideration other than cash, and Shares bought back during the period of five years immediately preceding the reporting date:

Particulars	Number of Equity Shares	
	31st March, 2018	31st March, 2017
Shares issued for consideration other than cash	Nil	Nil
Alloted as fully paid up by way of Bonus	61,46,055	Nil
Shares Bought back	Nil	Nil

2.2 Reserves and surplus

[Amount in `]

Particulars	As at 31st March, 2018	As at 31st March, 2017
Security Premium	7,77,82,300	6,35,86,300
Add : Addition During the Year	0	1,41,96,000
	7,77,82,300	7,77,82,300
Less: Amount Utilized for Issue of Bonus Share	6,14,60,550	0
	1,63,21,750	7,77,82,300
Surplus / (Deficit) in Statement of Profit and Loss		
Balance as per previous financial statements	1,35,44,262	73,18,265
Add : Profit for the year	1,20,35,122	62,25,997
Balance available for appropriation	2,55,79,384	1,35,44,262
Less : Adjustments related to fixed Assets	0	0
	2,55,79,384	1,35,44,262
Less : Appropriations		
Transfer to General Reserve	0	0
Issue of Bonus shares	0	0
Proposed Dividend	14,34,080	0
Tax on Dividend	2,91,950	0
	17,26,030	0
Net Surplus / (Deficit)	4,01,75,105	9,13,26,562

2.3 Deffered Tax

[Amount in `]

Particulars	As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Asset		
Difference of book depreciation and tax depreciation	(10,980)	6,973
Disallowance U/s. 43B	0	0
Disallowance U/s. 40(a)	0	0
Disallowance U/s. 35DD	0	0
Net Deferred Tax Asset / (Liability)	(10,980)	6,973

YASH CHEMEX LIMITED
2 Notes forming part of accounts
2.4 Short term borrowings

[Amount in `]

Particulars	As at 31st March, 2018	As at 31st March, 2017
Loans repayable on demand		
Secured		
Cash Credit from Banks	1,76,32,683	2,23,81,295
From Banks Car Loan	0	1,34,371
Unsecured		
From Banks	0	8,17,601
From Directors	0	0
From Financial Institutions	0	45,00,000
From Inter Corporate Deposits	17,67,417	16,53,824
	1,94,00,100	2,94,87,091

* Cash Credit facility availed from Yes Bank Ltd is secured by Charge on Current Assets, Equitable mortgage of Residential Bungalows and personal guarantee of Directors Mr. Pritesh Y Shah and Yashwant C Shah and Fixed deposit

* Short Term Unsecured business Loans from Banks and Financial Institutions are repayable as per the agreed repayment Schedules ranging from 12 to 24 Monthly Installments.

2.5 Trade payables

[Amount in `]

Particulars	As at 31st March, 2018	As at 31st March, 2017
For Goods and Services	19,51,22,421	25,56,64,245
	19,51,22,421	25,56,64,245

2.6 Other current liabilities

[Amount in `]

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unpaid Professional Tax	1,510	1,280
Others :		
TDS Payable	4,77,477	5,23,325
Service Tax Payable	0	5,829
Vat Payable	0	19,53,207
Cst Payable	0	0
	4,78,987	24,83,641

2.7 Short term provisions

[Amount in `]

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provision for Income Tax	61,56,000	28,78,000
	61,56,000	28,78,000

2 Notes forming part of accounts
2.8 Tangible Assets

Sr. No.	Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
		As at 01/04/2017 Rs.	Addition Rs.	Deduction/ Adjustment Rs.	As at 31/03/2018 Rs.	Up to 31/03/2017 Rs.	For the year Rs.	Deduction/ Adjustment Rs.	Up to 31/03/2018 Rs.	As at 31/03/2018 Rs.	As at 31/03/2017 Rs.
1	Air Conditioner	2,61,412	0	0	2,61,412	2,10,087	25,685	0	2,35,772	25,640	51,325
2	Mobile	11,405	0	0	11,405	7,948	1,112	0	9,060	2,345	3,457
3	Computers	1,86,967	17,500	0	2,04,467	1,71,165	14,454	0	1,85,619	18,848	15,802
4	Swift Car	7,63,359	0	0	7,63,359	5,86,919	57,933	0	6,44,852	1,18,507	1,76,440
5	Office Building	40,40,260	0	0	40,40,260	10,03,704	1,42,436	0	11,46,140	28,94,120	30,36,556
6	T.V.	34,000	0	0	34,000	28,417	2,979	0	31,396	2,604	5,583
7	Furniture	2,50,100	0	0	2,50,100	1,47,244	28,192	0	1,75,436	74,664	1,02,856
8	Bike/ Jupiter	53,500	96,671	0	1,50,171	32,950	30,477	0	63,427	86,744	20,550
		56,01,003	1,14,171	0	57,15,174	21,88,434	3,03,268	0	24,91,702	32,23,472	34,12,569
	Previous Year :	56,01,003	0	0	56,01,003	13,94,563	5,57,460	1,22,448	18,29,575	37,71,428	

2 Notes forming part of accounts

2.9 Non Current Investments

Particular	As at 31st March, 2018		As at 31st March, 2017	
	Numbers	Amount	Numbers	Amount
Investment in equity instruments (Fully Paid) Unquoted				
A) Subsidiary				
Yasons Chemex Care Ltd.	21,19,000	2,12,90,000	-	-
B) Other				
Mahickra Chemical Ltd.	5,00,000	1,00,00,000	-	-
Total Investements		3,12,90,000		

2.10 Long Term Loans and Advances

[Amount in `]

Particulars	As at	As at
	31st March, 2018	31st March, 2017
Others Loans and Advanes	6,80,189	1,50,000
	6,80,189	1,50,000

2.11 Inventories

[Amount in `]

Particulars	As at	As at
	31st March, 2018	31st March, 2017
At Cost or Net Realizable Value Which ever is Lower		
Traded Goods (As taken, valued and Certified by the Management)	3,14,01,074	2,93,19,959
	3,14,01,074	2,93,19,959

2.12 Trade Receivable

[Amount in `]

Particulars	As at	As at
	31st March, 2018	31st March, 2017
Unsecured, Considered Good		
Debts outstanding for the period exceeding six months	5,56,04,351	9,56,86,870
Others	23,37,48,826	28,73,89,700
	28,93,53,177	38,30,76,570

2.13 Cash and Cash Equivalentents

[Amount in `]

Particulars	As at	As at
	31st March, 2018	31st March, 2017
Balances with scheduled banks	7,14,423	41,086
Cash in hand	4,33,380	14,92,515
	11,47,803	15,33,601

YASH CHEMEX LIMITED
2 Notes forming part of accounts
2.14 Short-term loans and advances

(Considered good unless otherwise stated)

[Amount in `]

Particulars	As at 31st March, 2018	As at 31st March, 2017
Advance Tax	44,00,000	22,50,000
Loans for less than 12 months	9,45,485	3,06,233
Additional Import Duty Receivable	1,56,255	50,202
Cenvat Receivable	0	26,00,168
IGST Receivable	11,47,457	0
TDS Receivable	42	29,715
Prepaid Expenses	32,888	77,249
	66,82,127	53,13,567

YASH CHEMEX LIMITED

2 Notes forming part of accounts

2.15 Revenue from operations

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Sales GST	60,78,84,992	0
Against " C " Form Sales	0	2,20,863
Highseas Sales A/C	0	3,55,04,816
RD Sales	21,09,96,033	67,03,56,238
Transfer Ownership Sales	0	3,79,57,077
Rate Diff.	-11,556	-13,13,840
Excise Duty	1,57,60,254	6,79,25,288
Additional Excise duty	6,73,466	49,43,357
Vat On Sales	1,13,71,283	3,70,94,210
GST collected on Sales	10,92,21,216	0
CST on Sales	0	4,946
Gross Sales	95,58,95,687	85,26,92,955
<u>Less:</u> Sales Return	-	-
Net Sales	95,58,95,687	85,26,92,955

2.16 Other Income

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Foreign Exchange Fluctuation	4,22,947	32,13,895
Other Income	3,77,871	0
Licence Premium Income	0	3,269
Currency Trading	0	1,30,900
Interest Income	419	2,52,547
Misc. Written Off	64,50,637	19,36,376
Rate Diff.	0	6,22,050
Sales of Waste	0	71,760
Discount	18,05,188	9,22,840
Bank FD Interest	1,614	55,218
	90,58,675	72,08,855

2.17 Purchase of Stock-in-Trade

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Material Purchase		
C.S.T. Purchase 2%	0	69,621
Against C Form	0	30,94,272
Import Purchases	2,70,12,541	7,64,60,601
R.D.Purchase	76,73,51,773	55,28,06,846
Fright on Purchase	0	24,170
Gst Paid	0	0
Vat on Purchase	1,12,72,460	3,04,52,643
Vat Paid	98,823	66,48,195
Gross Purchase	80,57,35,597	66,95,56,348
<u>Less:</u> Rate Differences	-	(5,44,500)
Net Purchases	80,57,35,597	66,90,11,848

YASH CHEMEX LIMITED
2 Notes forming part of accounts
2.18 Changes in Inventory

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Opening Stock Traded Goods	2,93,19,959	11,48,99,185
Closing Stock Traded Goods	3,14,01,074	2,93,19,959
	(20,81,115)	8,55,79,226

2.19 Employees Benefits

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Salary, Wages and Bonus	17,04,955	15,39,716
Director's Remuneration	28,36,438	20,50,000
	45,41,393	35,89,716

2.20 Finance Cost

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Interest		
To Bank	22,25,135	29,75,056
To Others	5,75,675	14,03,580
	28,00,810	43,78,636

YASH CHEMEX LIMITED

2 Notes forming part of accounts

2.21 Direct, Administrative and other Expenses

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Direct Expenses		
Custom Duty & Custom charges	31,27,097	60,60,288
Shipping Line Charges	8,03,389	17,03,273
Other Chrges for Import	7,85,930	11,25,422
Transportation Expenses	21,34,152	7,41,809
	68,50,569	96,30,792
Other Expense		
Advertisement Expenses	26,024	6,500
Auditor's Remuneration	90,000	92,000
Commission Paid	63,013	2,88,500
Computer Expenses	68,250	16,700
Courier Charges	10,575	11,083
CDSL, NSDL Depository Charges	10,350	11,500
Consulting Charges	0	69,500
CST EXP.	0	1,40,140
Director Sitting Fees	52,000	12,500
Electricity Charges	67,550	69,700
BSE listing fees	46,272	0
Insurance Charges	2,87,658	4,29,700
Issue Exp.	0	29,34,442
Labour chages	2,900	77,500
Municipal Taxes	27,183	22,084
Office Expenses	29,921	37,770
Other Expenses	10,36,054	1,91,422
Professional Charges	1,37,000	37,500
Telephone Expenses	9,357	27,633
Travelling Expenses	0	25,900
Vehicle Exp. (Car)	14,850	31,307
Warehouse Expenses	7,65,061	7,73,953
Vat Expenses	0	30,370
WEB Site Exp	0	15,000
Penalty on TDS Return	1,600	0
Late Fee on GST	800	0
Bonus Issue Exp	1,93,412	0
	29,39,829	53,52,704
	97,90,398	1,49,83,496
Auditor, Remuneration is made of :		
Statutory Audit Fees	75,000	69,000
Tax Audit Fees	15,000	23,000
	90,000	92,000

2.22 Tax Expenses

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Provision for Taxation :		
(a) Current Tax	61,56,000	28,78,000
(b) Deferred Tax	17,953	22,931
(c) Income Tax of Earlier Years	-	4,455
	61,73,953	29,05,386

2.23 Balances of Sundry Debtors, Creditors and Loans and Advances are subject to confirmation from respective parties.

2.24 **Directors' Remuneration is made up of :**

Year	2017-18	2016-17
Salary	28,36,438	20,50,000
Total :...	28,36,438	20,50,000

2.25 **Auditors' Remuneration is made up of :**

Year	2017-18	2016-17
Audit Fees	75,000	69,000
Tax Audit	15,000	23,000
Total :...	90,000	92,000

2.26 As the company has only one business segment, disclosure under Ind AS 18 on "Segment reporting" issued by the ICAI is not applicable.

2.27 Under the Micro, small and Medium Enterprise Development Act, 2006 read with notification No. 8/7/2006- CDN Dt 17/05/2007, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The company has not received any communication from its suppliers about their coverage under the said Act. Since the relevant information is not readily available, no disclosures have been made in the accounts. However in the view of the management, the impact of interest, if any, that may be payable as per the provisions of this Act is not expected to be material.

2.28 **Related Party Transactions**

Description of Relationships	Name of Related Parties
Subsidiary Company	Yasons Chemex Care Ltd.
Entities under the control of Key Management Personnel and their relatives	Yash Chem Yashwantlal C. Shah HUF
Key Management Personnel (KMP)	
Chairman	Yashwantlal Chhanalal Shah
Managing Director	Pritesh Yashwantbhai Shah
Director	Dimple Priteshkumar Shah
Director	Raj Shah
Independent Director	Angee R. Shah
Independent Director	Vrusha Patel

Independent Director	Jinal D. Shah
Relative of Director	Paxal P. Shah
Relative of Director	Chandrikaben Y. Shah

Transactions	31.03.2018	31.03.2017
Transaction with Entities under the control of Key Management Personnel and their relative		
Loans Taken/ (Repaid) Net		
Yash Chem	NIL	(68,07,163)
Yashwantlal C. Shah HUF	NIL	36,801
Interest Paid/(Received)		
Yash Chem	NIL	(1,48,429)
Pritesh Y Shah HUF	NIL	NIL
Yashwantlal C. Shah HUF	NIL	(36,801)
Balance Outstanding Dr/(Cr)		
Yash Chem	NIL	69,55,592
Pritesh Y Shah HUF	NIL	NIL
Yashwantlal C. Shah HUF	NIL	NIL
Yasons Chemex Care Ltd	1018	NIL
Transactions With Key Management Personnel		
Loans Taken/ (Repaid) Net		
Yashwantlal Chhanalal Shah	NIL	(3,07,271)
Dimple Priteshkumar Shah	NIL	NIL
Paxal P. Shah	NIL	NIL
Chandrikaben Y. Shah	NIL	NIL
Interest Paid/ (Received)		
Yashwantlal Chhanalal Shah	NIL	70386
Dimple Priteshkumar Shah	NIL	NIL
Chandrikaben Y. Shah	NIL	NIL
Sales		
Yasons Chemex Care Ltd	3,86,92,035	NIL
Purchases		
Yash Chem	12,32,99,113	
Balance Outstanding Dr/(Cr)		
Yashwantlal Chhanalal Shah	NIL	NIL
Dimple Priteshkumar Shah	NIL	NIL
Paxal P. Shah	NIL	NIL
Chandrikaben Y. Shah	NIL	NIL
Directors Remuneration		
Pritesh Yashwantbhai Shah	14,00,000	8,00,000
Yashwantlal Chhanalal Shah	9,50,000	7,50,000
Dimple Pritesh Shah	4,15,890	5,00,000
Raj Shah	70,548	NIL
Director Sitting Fees		
Angee R. Shah	12,500	12,500
Vrusha A. Patel	12,000	NIL
Jinal D. Shah	15,000	NIL
Investment In Shares		
Yasons Chemex Care Ltd	2,12,90,000	NIL

The above information has been determined to the extent such parties have been identified on the basis of information provided by the management, which has been relied upon by the auditors.

2.29 Earning Per Share

The company has evaluated its earning per share as per the requirements of Accounting Standard 20 issued by the institute of Chartered Accountants of India as under:

Particulars	31.03.2018	31.03.2017
Net Profit Attributable to	1,20,35,121	62,25,997
Weighted Average No. of Equity Shares in Nos.	1,02,43,425	38,69,870
Basic and Diluted Earning Per Share In Rupees	1.17	1.61
Nominal Value per Equity Share in Rupees	10	10

2.30 CIF Value of Imports Rs.2,70,12,541/- (P.Y. Rs. 7,64,60,601/-)

2.31 Expenditure in Foreign Currency Rs. Nil

2.32 Earning in Foreign Exchange Rs. Nil/-

2.33 Previous Year figures are Regroup/Rearrange where ever necessary.

For, HARSHAD SUDHIR & CO.
Chartered Accountants
FRN No. 129775W

(CA Sudhir S. Shah)
Partner
M.No. 115947

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Pritesh Y. Shah
Managing Director
(DIN:00239665)

Yashwantlal C. Shah
Chairman & Whole time Director
(DIN: 01002342)

Kiritbhai H. Shah
Chief Financial Officer

Aesha Mashru
Company Secretary

Ahmedabad
29th May, 2018

Independent Auditors' Report

TO THE MEMBERS OF YASH CHEMEX LIMITED

Report On the Consolidated Financial Statements

We have audited the accompanying financial statements of Yash Chemex Limited ("hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss for the year ended and the cash flow statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2018 and its profit and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A hereto, a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

2. As required by section 143(3) of the Act, we report that:

a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books

c. the Consolidated Balance Sheet and Consolidated Statements of Profit and Loss dealt with by this Report are in agreement with the books of account.

d. in our opinion, the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the companies (Accounts) Rules, 2014.

e. on the basis of written representations received from the directors as on 31st March, 2018, and taken on record by the Board of Directors of Holding Company and the reports of the Statutory Auditors of its subsidiary companies, none of the directors of the Group companies, is disqualified as on 31st March, 2018 from being appointed as a director in terms section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The company has disclosed the impact of pending litigation as at 31st March, 2018 on its consolidated financial position in its consolidated financial statements.
- ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company and its Subsidiary companies during the year ended 31st March, 2018..

For Harshad Sudhir & Co
Chartered Accountants
(Firm's Registration No. 129775W)

(Sudhir S. Shah)
(Partner)
(Membership No. 115947)

Ahmedabad
29TH May, 2018

ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT

(Annexure referred to in paragraph 1 under the heading of “report on other Legal and Regulatory Requirements” of our report of even date to the members of Yash Chemex Limited on the Consolidated Financial Statements for the year ended 31st March, 2018)

i. In respect to Fixed assets:

- a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b. As explained to us, all the fixed assets have been physically verified by the management in accordance with the program of verification, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification as compared with the available records.

ii. In respect of its inventories:

- a. Inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. On the basis of our examination of inventory records, we are of the opinion that the Company is maintaining proper records of inventory. As explained to us, no material discrepancies were noticed on physical verification of the inventories, as compared to book records maintained.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, this clause is not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v. The Company has not accepted any deposit during the year. Therefore, the provisions of clause (v) of paragraph 3 of the said Order are not applicable to the company.

- vi.** According to the information and explanations given to us, Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of activities carried on by the company. Therefore the provisions of clause (vi) of paragraph 3 of the said Order are not applicable to the company.
- vii. In respect to Statutory dues:**
- a. According to the records of the company, the company has been generally regular during the year in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Value Added tax, Cess and any other statutory dues as applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2018 for a period of more than six months from the date of becoming payable.
- b. In our opinion and according to the information and explanations given to us, there are no disputed dues in respect of sales tax, Income Tax, excise duty, Service Tax, Cess and other statutory dues payable by the company as on 31st March, 2018.
- viii.** In our opinion and according to the information and explanation given to us, the company has not defaulted in the repayment of loans or borrowing to banks or financial institutions. The company has not issued any debentures.
- ix.** According to the information and explanations given to us the company had not raised money by way of Initial Public Offer and the same have been applied for the purpose for which it was raised.
- x.** Based upon the audit procedures performed for the purposes of reporting the true and fair view of the Standalone Financial Statements and as per the information and explanations even by the management, we report that no fraud by the Company and no material fraud on the Company has been noticed or reported during the course of our audit.
- xi.** According to the information and explanations given to us and based on our examination of the records of the company, the company has paid or provided managerial remuneration in accordance with the provision of Section 197 read with Schedule V to the act.
- xii.** In our opinion and according to the information and explanation given to us, the company is not a nidhi company. Accordingly paragraph 3(xii) of the order is not applicable.

- xiii.** In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial statements as required by the applicable Accounting Standards.

- xiv.** Base upon the audit procedures performed and the information and explanation given by the management, the company has not made any preferential allotment or private placement of shares or partly convertible debenture during the year.

- xv.** Based upon the audit procedures performed and the information and explanation given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the order are not applicable to the company and hence not commented upon.

- xvi.** In our opinion, the company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the order are not applicable to the company and hence not commented upon.

For **Harshad Sudhir & Co**
Chartered Accountants
(Firm's Registration No. 129775W)

(Sudhir S. Shah)
(Partner)
(Membership No. 115947)

Ahmedabad
29th May, 2018

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Yash Chemex Limited (“the Holding Company”) and its subsidiary company as of March 31, 2018 in conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the “internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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.

For **Harshad Sudhir & Co**

Chartered Accountants

(Firm's Registration No. 129775W)

(Sudhir S. Shah)

(Partner)

(Membership No. 115947)

Ahmedabad

29th May, 2018

Consolidated Balance Sheet as at 31st March, 2018

[Amount in `]

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017
Equity and Liabilities			
Shareholders' Fund			
Share Capital	2.1	10,24,34,250	4,09,73,700
Reserves and Surplus	2.2	<u>5,03,53,079</u>	<u>9,13,26,562</u>
		15,27,87,329	13,23,00,262
Minority Interest	2.3	3,02,58,142	
Current liabilities			
Defferd Tax Liability (Net)	2.4	12,525	0
Short term borrowings	2.5	1,94,00,100	2,94,87,091
Trade payables	2.6	20,89,03,786	25,56,64,245
Other current liabilities	2.7	4,90,541	24,83,641
Short term provisions	2.8	<u>75,02,000</u>	<u>28,78,000</u>
		23,63,08,952	29,05,12,977
Total		<u>41,93,54,422</u>	<u>42,28,13,239</u>
Assets			
Non-Current assets			
Fixed assets			
Tangible assets	2.9	33,48,141	34,12,569
Work in Progress	2.9	25,05,381	
Non current Investments	2.10	1,00,00,000	0
Long Term Loans and Advances	2.11	6,80,189	1,50,000
Deferred Tax Assets (net)	2.3	<u>0</u>	<u>6,973</u>
		1,65,33,711	35,69,542
Current Assets			
Inventories	2.12	4,34,51,774	2,93,19,959
Trade receivables	2.13	33,03,08,849	38,30,76,570
Cash & cash equivalents	2.14	26,70,213	15,33,601
Short term - Loans & advances	2.15	<u>2,63,89,875</u>	<u>53,13,567</u>
		40,28,20,712	41,92,43,697
Total :		<u>41,93,54,422</u>	<u>42,28,13,239</u>

Significant Accounting Policies

1

Notes forming part of accounts

2

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

FOR HARSHAD SUDHIR & CO.

[Firm Registration No. 129775W]

Chartered Accountants
FOR AND ON BEHALF OF THE BOARD
Sudhir S. Shah
Partner
 Mem. No. 115947

Pritesh Y. Shah
Managing Director
 DIN:00239665

Yashwantlal C. Shah
Chairman & Whole time Director
 DIN:01002342

 Kiritbhai H. Shah
 Chief Financial Officer

 Aesha Mashru
 Company Secretary

 Ahmedabad
 29Th May, 2018

 Ahmedabad
 29Th May, 2018

Consolidated Statement of Profit and Loss for the period ended 31st March, 2018

[Amount in `]

Particulars	Notes	2017-18	2016-17
Income			
Revenue from operations	2.16	1,02,57,59,576	85,26,92,955
Less: Excise Duty		1,64,33,720	7,28,68,645
Goods and Service Tax		<u>11,98,78,424</u>	<u>0</u>
		88,94,47,431	77,98,24,310
Other Income	2.17	<u>1,04,68,665</u>	<u>72,08,855</u>
Total Revenue		89,99,16,097	78,70,33,165
Expenses			
Purchase of Stock-in-Trade	2.18	87,20,52,129	66,90,11,848
Inventory	2.19	(1,41,31,815)	8,55,79,226
Employee benefits	2.20	48,47,393	35,89,716
Finance costs	2.21	28,00,977	43,78,636
Depreciation and amortization expenses		3,26,934	3,58,859
Direct, Administrative and other expenses	2.22	<u>1,08,62,742</u>	<u>1,49,83,496</u>
Total Expenses		87,67,58,361	77,79,01,781
Profit/ (Loss) Before Extraordinary items & Tax		2,31,57,736	91,31,383
Exceptional & Extraordinary items		<u>0</u>	<u>0</u>
Profit Before Tax		2,31,57,736	91,31,383
Tax Expenses	2.23		
Current Tax		75,02,000	28,78,000
Income Tax of Earlier Years		0	4,455
Deferred Tax		<u>19,498</u>	<u>22,931</u>
		75,21,498	29,05,386
Profit/(Loss) after tax		1,56,36,238	62,25,997
Minority Interest : Capital Profit		3,40,292	0
Minority Interest : Revenue Profit		14,24,975	0
Capital Profit of YCL		3,54,940	0
Balance Carried to Balance Sheet		<u>1,35,16,031</u>	<u>62,25,997</u>
Earnings per equity share: Basic and diluted		1.32	0.62

Significant Accounting Policies 1
Notes forming part of accounts 2

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

FOR HARSHAD SUDHIR & CO.
 [Firm Registration No. 129775W]
 Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Sudhir S. Shah
 Partner
 Mem. No. 115947

Pritesh Y. Shah
 Managing Director
 DIN:00239665

Yashwantlal C. Shah
 Chairman & Whole time Director
 DIN:01002342

Kiritbhai H. Shah
 Chief Financial Officer

Aesha Mashru
 Company Secretary

Ahmedabad
 29Th May, 2018

Ahmedabad
 29Th May, 2018

Consolidated Cash Flow Statement for the year ended 31st March,2018
(Amt in Rs)

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
I. Net Profit Before Tax and Extraordinary items	2,28,02,796	91,31,383
Adjustments for non-cash and non-operative items		
Depreciation	3,26,934	3,58,859
Other Income (Interest and Investment income)	(9,96,720)	(3,07,765)
Interest Paid	28,00,977	43,78,636
Operating Profit/(Loss) Before Working Capital Changes:	2,49,33,987	1,35,61,113
Adjustments for working capital changes:		
(Increase)/Decrease in Inventory	(1,41,31,815)	8,55,79,226
Increase/(Decrease) in Trade payables	(4,67,60,459)	(5,41,75,924)
Increase/(Decrease) in Other Current Liabilities	(19,93,100)	6,32,742
Increase/(Decrease) in Short Term Provisions	46,24,000	14,51,013
(Increase)/Decrease in Trade Receivables	5,27,67,721	(6,36,07,114)
(Increase)/Decrease in Loans And Advances	(2,10,76,308)	62,67,196
Increase/(decrease) in Borrowings	(1,00,86,991)	(86,91,157)
	(3,66,56,953)	(3,25,44,018)
Cash Flow from Operating activities before tax:	(1,17,22,966)	(1,89,82,905)
Less: Income Tax Paid	75,02,000	28,82,455
Net Cash Flow from Operating Activities : (A)	(1,92,24,966)	(2,18,65,360)
II. Cash Flow from Investing Activities :		
Purchase of Fixed Assets	(27,67,887)	-
(Increase)/Decrease in Long Term Loans And Advances	(5,30,189)	9,56,000
(Increase)/Decrease in Non Current Investments	(1,00,00,000)	-
Net Cash Flow from Investing Activities : (B)	(1,32,98,076)	9,56,000
III. Cash Flow from Financing Activities :		
Increase in Share Capital & Share Premium	2,84,92,875	2,51,16,000
Securities Premium On Issue Of Shares	86,97,065	
Interest Received	9,96,720	3,07,765
Interest Paid	(28,00,977)	(43,78,636)
Dividend Paid with Corporate Tax	(17,26,029)	
Net Cash Flow from Financing Activities :(C)	3,36,59,654	2,10,45,129
Net Increase/ (Decrease) in cash and Cash Equivalents (A+B+C)	11,36,613	1,35,769
Opening Balance of Cash and Cash Equivalents	15,33,601	13,97,832
Closing Balance of Cash and Cash Equivalents	26,70,213	15,33,601
Net Position	11,36,612	1,35,769

FOR **HARSHAD SUDHIR & CO.**
[Firm Registration No. 129775W]
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Sudhir S. Shah
Partner
Mem. No. 115947

Pritesh Y. Shah
Managing Director
DIN:00239665

Yashwantlal C. Shah
Chairman & Whole time Director
DIN:01002342

Kiritbhai H. Shah
Chief Financial Officer

Aesha Mashru
Company Secretary

Ahmedabad
29th May, 2018

Ahmedabad
29th May, 2018

NOTE ' 1 ' : SIGNIFICANT ACCOUNTING POLICIES
1) Basis of Preparation of Consolidated Financial Statements:

The financial statements of the Group are prepared under the historical cost convention on an accrual basis and in accordance with generally accepted accounting principles in India (GAAP) and in compliance with the applicable accounting standards and provisions of the Companies Act, 2013 (here after referred to 'the Act').

The financial statements are prepared in accordance with the principle and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS 21), "Consolidated Financial Statements". The Consolidated Financial Statements comprise the financial statements of the company and its subsidiaries, combined on line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealized gain/losses. The Consolidated Financial Statements are prepared by applying uniform accounting policies in use at the group. Minority Interests have been excluded. Minority interests represents that part of the net profit or loss and assets of subsidiaries that are not, directly or indirectly, owned or controlled by Company.

2) Use of Estimates:

The presentation of financial statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognised in the period in which the results are known/determined.

3) Principles of Consolidation:

The consolidated financial statements relate to Yash Chemex Ltd. ("the company") and its Subsidiary companies. The consolidated financial statements have been prepared on following basis:

- a) The financial statements of the parent and its subsidiaries have been combined on line-by-line basis by adding together the book values of like items of assets, liabilities, revenues and expenses after eliminating intra group balances/transactions and resulting profits in full. Unrealized profit/losses resulting intra group transactions has been eliminated except to the extent that recoverable value of related assets is lower than their cost to the group.
- b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate financial statements. Differences in accounting policies have been disclosed separately.

- c) Minority's share in net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
- d) Minority interest share in net assets of "the Group" is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

4) **Valuation of Tangible Fixed Assets:**

Fixed Assets are stated at their original cost including incidental expenses related to acquisition and installation, less accumulated depreciation, amortization and impairment of loss if any. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.

5) **Depreciation of Tangible Fixed Assets:**

Depreciation on fixed assets has been charged on Written Down value basis, as per the useful life of assets notified in Schedule II of the Companies Act, 2013. Assets with the individual value of less than Rs. 5000 are depreciated fully in the year of addition.

6) **Investments:**

Investments are valued at cost. Investments have been classified as long term investments in view of intention of company to hold the same on long term basis. Provision for diminution in the value of long term investments is made only if, such decline is not temporary in nature in the opinion of management. However, during the year there was no investment made by the company as per information and explanation provided to us.

7) **Valuation of Inventories:**

Inventories are valued at cost or Net Realizable value whichever is lower.

8) **Revenue Recognition:**

All expenses and incomes to the extent considered payable or receivable respectively are accounted for on accrual basis. Sales are net of trade discounts and returns.

9) **Taxation:**

Income Taxes are accounted for in accordance with Accounting Standard (AS 22) – "Accounting for Taxes on Income", as notified under the Companies (Accounting Standards) Rules, 2006. Income Tax comprises both current and deferred tax.

- (i) Current year tax is provided based on taxable income computed in accordance with the provision of the Income- tax Act, 1961.
- (ii) Differed tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Differed tax assets are recognized on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be against which such deferred tax assets can be realized.

10) Foreign Currency Transaction

Foreign currency transactions are recorded in the books at rates prevailing on the date of transaction. Current assets and liabilities wherever receivable or payable in foreign currencies are translated at exchange rates prevailing on the Balance Sheet date and the loss or gain arising out of such transaction is adjusted in the Profit and Loss account.

11) Impairment of Assets:

An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

12) Retirement Benefits:

As certified by the management, the company has no liability under the Provident Fund & Super Annuation Fund Act as the said acts do not apply to the company. Gratuity, Leave Encashment and other retirement benefits if any are accounted on cash basis.

13) Earnings per Share:

The basic and diluted earnings per share (EPS) is computed by dividing Net Profit after tax for the year by weighted average number of equity shares outstanding during the year.

14) Contingent Liabilities:

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

2 Notes forming part of Consolidated Financial Statement

2.1 Share Capital

Particulars	[Amount in `]	
	As at 31st March, 2018	As at 31st March, 2017
(a) Authorised		
1,10,00,000 (P.Y. 45,00,000) Equity shares of Rs. 10/- each	11,00,00,000	4,50,00,000
	11,00,00,000	4,50,00,000
(b) Issued, Subscribed and fully Paidup		
1,02,43,425 (P.Y. 40,97,370) Equity Shares of Rs 10/- each Fully Paid up	10,24,34,250	4,09,73,700
	10,24,34,250	4,09,73,700

(c) Reconciliation of number of shares

Particulars	Number of Equity Shares	
	31st March, 2018	31st March, 2017
At the beginning of the year	40,97,370	30,05,370
Add		
Shares issued for Cash (IPO)	0	10,92,000
Shares issued as Bonus	61,46,055	0
At the end of the year	1,02,43,425	40,97,370

(d) Rights, Preferences and Restrictions

The Company has only one class of equity shares having par value of ` 10/- per share. Each equity shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, if any, in proportion to their shareholding.

(e) Details of Shareholdings

Shareholders holding more than 5% shares

Particulars	Number of Equity Shares		% of Holding	
	As at		As at	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Pritesh Y Shah	1538754	597500	15.02	14.58
Pritesh Y Shah HUF	948364	367999	9.26	8.98
Yashvantbhai C Shah HUF	737942	292177	7.20	7.13
Yashvantbhai C Shah	603850	241540	5.90	5.90
Dimple P Shah	780500	277700	7.62	6.78
Jay Lalit Patel	367500	222000	3.59	5.42
Lalit K Patel	1053750	750000	10.29	18.30

2 Notes forming part of Consolidated Financial Statement

- (f) Aggregate Number of bonus shares issued, Shares issued for consideration other than cash, and Shares bought back during the period of five years immediately preceding the reporting date:

Particulars	Number of Equity Shares	
	31st March, 2018	31st March, 2017
Shares issued for consideration other than cash	Nil	Nil
Alloted as fully paid up by way of Bonus	61,46,055	Nil
Shares Bought back	Nil	Nil

2.2 Reserves and surplus

Particulars	[Amount in `]	
	As at 31st March, 2018	As at 31st March, 2017
Security Premium	7,77,82,300	6,35,86,300
Add : Addition During the Year	<u>84,43,562</u>	<u>1,41,96,000</u>
	8,62,25,862	7,77,82,300
Less: Amount Utilized for Issue of Bonus Share	<u>6,14,60,550</u>	<u>0</u>
Capital Reserve	2,53,503	
	2,50,18,815	7,77,82,300
Surplus / (Deficit) in Statement of Profit and Loss		
Balance as per previous financial statements	1,35,44,262	73,18,265
Add : Profit for the year	<u>1,35,16,031</u>	<u>62,25,997</u>
Balance available for appropriation	2,70,60,293	1,35,44,262
Less : Adjustments related to fixed Assets	<u>0</u>	<u>0</u>
	2,70,60,293	1,35,44,262
Less : Appropriations		
Transfer to General Reserve	0	0
Issue of Bonus shares	0	0
Proposed Dividend	14,34,080	0
Tax on Dividend	<u>2,91,950</u>	<u>0</u>
	17,26,030	0
Net Surplus / (Deficit)	5,03,53,079	9,13,26,562

2.3 Minority Interest

Particulars	As at 31st March, 2018
Nominal Value of Capital	2,03,73,937
Security Premium	81,18,938
Capital Profit	3,40,292
Revenue Profit	<u>14,24,975</u>
	3,02,58,142

2.4 Deferred Tax

Particulars	[Amount in `]	
	As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Asset		
Difference of book depreciation and tax depreciation	(19,498)	6,973
Disallowance U/s. 43B	0	0
Disallowance U/s. 40(a)	0	0
Disallowance U/s. 35DD	<u>0</u>	<u>0</u>
Total Deferred Tax Asset / (Liability)	(19,498)	6,973
Net Deferred Tax Asset / (Liability)		12,525

2 Notes forming part of Consolidated Financial Statement
2.5 Short term borrowings

Particulars	[Amount in `]	
	As at 31st March, 2018	As at 31st March, 2017
Loans repayable on demand		
Secured		
Cash Credit from Banks	1,76,32,683	2,23,81,295
From Banks Car Loan	0	1,34,371
Unsecured		
From Banks	0	8,17,601
From Directors	0	0
From Financial Institutions	0	45,00,000
From Inter Corporate Deposits	17,67,417	16,53,824
	1,94,00,100	2,94,87,091

* Cash Credit facility availed from Yes Bank Ltd is secured by Charge on Current Assets, Equitable mortgage of Residential Bunglows and personal guarantee of Directors Mr. Pritesh Y Shah and Yashwant C Shah and Fixed deposit

* Short Term Unsecured business Loans from Banks and Financial Institutions are repayable as per the agreed repayment Schedules ranging from 12 to 24 Monthly Installments.

2.6 Trade payables

Particulars	[Amount in `]	
	As at 31st March, 2018	As at 31st March, 2017
For Goods and Services	20,89,03,786	25,56,64,245
	20,89,03,786	25,56,64,245

2.7 Other current liabilities

Particulars	[Amount in `]	
	As at 31st March, 2018	As at 31st March, 2017
Unpaid Professional Tax	1,510	1,280
Others :		
TDS Payable	4,89,031	5,23,325
Service Tax Payable	0	5,829
Vat Payable	0	19,53,207
Cst Payable	0	0
	4,90,541	24,83,641

2.8 Short term provisions

Particulars	[Amount in `]	
	As at 31st March, 2018	As at 31st March, 2017
Provision for Income Tax	75,02,000	28,78,000
	75,02,000	28,78,000

2 Notes forming part Consolidated Financial Statement
2.9 Tangible Assets

Sr. No.	Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
		As at 01/04/2017 Rs.	Addition Rs.	Deduction/ Adjustment Rs.	As at 31/03/2018 Rs.	Up to 31/03/2017 Rs.	For the year Rs.	Deduction/ Adjustment Rs.	Up to 31/03/2018 Rs.	As at 31/03/2018 Rs.	As at 31/03/2017 Rs.
1	Air Conditioner	2,61,412	0	0	2,61,412	2,10,087	25,685	0	2,35,772	25,640	51,325
2	Mobile	11,405	0	0	11,405	7,948	1,112	0	9,060	2,345	3,457
3	Computers	1,86,967	1,65,835	0	3,52,802	1,71,165	38,120	0	2,09,285	1,43,517	15,802
4	Swift Car	7,63,359	0	0	7,63,359	5,86,919	57,933	0	6,44,852	1,18,507	1,76,440
5	Office Building	40,40,260	0	0	40,40,260	10,03,704	1,42,436	0	11,46,140	28,94,120	30,36,556
6	T.V.	34,000	0	0	34,000	28,417	2,979	0	31,396	2,604	5,583
7	Furniture	2,50,100	0	0	2,50,100	1,47,244	28,192	0	1,75,436	74,664	1,02,856
8	Bike/ Jupiter	53,500	96,671	0	1,50,171	32,950	30,477	0	63,427	86,744	20,550
		56,01,003	2,62,506	0	58,63,509	21,88,434	3,26,934	0	25,15,368	33,48,141	34,12,569
	Previous Year :	56,01,003	0	0	56,01,003	13,94,563	5,57,460	1,22,448	18,29,575	37,71,428	
1	Work in Progress Plant & Machinery (WIP)	0	16,63,874	0	16,63,874	0	0	0	0	16,63,874	
2	Factory Building (WIP)	0	8,41,507	0	8,41,507	0	0	0	0	8,41,507	
	Total WIP	0	25,05,381	0	25,05,381	0	0	0	0	25,05,381	

2 Notes forming part of Consolidated Financial Statement

2.10 Non Current Investments

Particular	As at 31st March, 2018		As at 31st March, 2017	
	Numbers	Amount	Numbers	Amount
Investment in equity instruments (Fully Paid) Unquoted				
a) Other				
Mahickra Chemical Ltd.	5,00,000	1,00,00,000	-	-
Total Investements		1,00,00,000		

2.11 Long Term Loans and Advances

[Amount in `]

Particulars	As at	As at
	31st March, 2018	31st March, 2017
Others Loans and Advanes	6,80,189	1,50,000
	6,80,189	1,50,000

2.12 Inventories

[Amount in `]

Particulars	As at	As at
	31st March, 2018	31st March, 2017
At Cost or Net Realizable Value Which ever is Lower		
Traded Goods	4,34,51,774	2,93,19,959
(As taken, valued and Certified by the Management)	4,34,51,774	2,93,19,959

2.13 Trade Receivable

[Amount in `]

Particulars	As at	As at
	31st March, 2018	31st March, 2017
Unsecured, Considered Good		
Debts outstanding for the period exceeding six months	9,65,60,023	9,56,86,870
Others	23,37,48,826	28,73,89,700
	33,03,08,849	38,30,76,570

2.14 Cash and Cash Equivalents

[Amount in `]

Particulars	As at	As at
	31st March, 2018	31st March, 2017
Balances with scheduled banks	17,29,243	41,086
Cash in hand	9,40,970	14,92,515
	26,70,213	15,33,601

2 Notes forming part of Consolidated Financial Statement
2.15 Short-term loans and advances

(Considered good unless otherwise stated)

Particulars	[Amount in `]	
	As at 31st March, 2018	As at 31st March, 2017
Advance Tax	44,00,000	22,50,000
Loans for less than 12 months	1,88,80,217	3,06,233
Additional Import Duty Receivable	1,56,255	50,202
Cenvat Receivable	0	26,00,168
CGST Receivable	6,62,105	
SGST Receivable	7,42,592	
IGST Receivable	13,57,002	0
TDS Receivable	99,512	29,715
Prepaid Expenses	92,192	77,249
	2,63,89,875	53,13,567

2.16 Revenue from operations

Particulars	[Amount in `]	
	For the Period ended 31st March, 2018	2016-17
Sales GST	66,70,91,672	0
Against " C " Form Sales	0	2,20,863
Highseas Sales A/C	0	3,55,04,816
RD Sales	21,09,96,033	67,03,56,238
Transfer Ownership Sales	0	3,79,57,077
Rate Diff.	-11,556	-13,13,840
Excise Duty	1,57,60,254	6,79,25,288
Additional Excise duty	6,73,466	49,43,357
Vat On Sales	1,13,71,283	3,70,94,210
GST collected on Sales	11,98,78,424	0
CST on Sales	0	4,946
Gross Sales	1,02,57,59,576	85,26,92,955
<u>Less:</u> Sales Return	-	-
Net Sales	1,02,57,59,576	85,26,92,955

2.17 Other Income

Particulars	[Amount in `]	
	For the Period ended 31st March, 2018	2016-17
Foreign Exchange Fluctuation	4,22,947	32,13,895
Other Income	3,77,871	0
Licence Premium Income	0	3,269
Currency Trading	0	1,30,900
Interest Income	9,62,023	2,52,547
Misc. Written Off	64,50,637	19,36,376
Rate Diff.	0	6,22,050
Sales of Waste	0	71,760
Discount	22,13,295	9,22,840
Bank FD Interest	34,697	55,218
Short term Capital gain on Mutual Fund	7,196	
	1,04,68,665	72,08,855

2 Notes forming part of Consolidated Financial Statement
2.18 Purchase of Stock-in-Trade

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Material Purchase		
C.S.T. Purchase 2%	0	69,621
Against C Form	0	30,94,272
Import Purchases	2,70,12,541	7,64,60,601
R.D.Purchase	83,36,68,305	55,28,06,846
Fright on Purchase	0	24,170
Gst Paid	0	0
Vat on Purchase	1,12,72,460	3,04,52,643
Vat Paid	98,823	66,48,195
Gross Purchase	87,20,52,129	66,95,56,348
Less:		
Rate Differences	-	(5,44,500)
Net Purchases	87,20,52,129	66,90,11,848

2.19 Changes in Inventory

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Opening Stock	2,93,19,959	11,48,99,185
Traded Goods		
Closing Stock	4,34,51,774	2,93,19,959
Traded Goods		
	(1,41,31,815)	8,55,79,226

2 Notes forming part of Consolidated Financial Statement
2.20 Employees Benefits

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Salary, Wages and Bonus	17,35,955	15,39,716
Director's Remuneration	31,11,438	20,50,000
	48,47,393	35,89,716

2.21 Finance Cost

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Interest		
To Bank	22,25,298	29,75,056
To Others	5,75,679	14,03,580
	28,00,977	43,78,636

2.22 Direct, Administrative and other Expenses

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Direct Expenses		
Custom Duty & Custom charges	31,27,097	60,60,288
Shipping Line Charges	8,03,389	17,03,273
Other Chrges for Import	7,85,930	11,25,422
Transportation Expenses	21,49,420	7,41,809
	68,65,837	96,30,792

Other Expense

Advertisement Expenses	26,024	6,500
Auditor's Remuneration	1,35,000	92,000
Commission Paid	63,013	2,88,500
Company Incorporation and legal exp	7,71,895	0
Computer Expenses	68,250	16,700
Courier Charges	10,575	11,083
CDSL, NSDL Depository Charges	10,350	11,500
Consulting Charges	0	69,500
CST EXP.	0	1,40,140
Director Sitting Fees	52,000	12,500
Electricity Charges	72,820	69,700
BSE listing fees	46,272	0
Insurance Charges	2,91,832	4,29,700
Issue Exp.	0	29,34,442
Labour chages	2,900	77,500
Legal Expense	10,000	
Municipal Taxes	27,183	22,084
Office Expenses	29,921	37,770
Office Rent Paid	92,000	
Office repairing exp	29,261	
Other Expenses	10,51,716	1,91,422
Professional Charges	1,64,400	37,500
Product Design Exp	12,583	
Sampling Expense	33,380	
Telephone Expenses	9,357	27,633
Travelling Expenses	5,610	25,900
Vehicle Exp. (Car)	15,700	31,307
Warehouse Expenses	7,67,561	7,73,953
Vat Expenses	0	30,370
WEB Site Exp	0	15,000
Penalty on TDS Return	1,600	0
Late Fee on GST	2,290	0
Bonus Issue Exp	1,93,412	0
	39,96,905	53,52,704
	1,08,62,742	1,49,83,496

Auditor, Remuneration is made of :

Statutory Audit Fees	1,10,000	69,000
Tax Audit Fees	25,000	23,000
	1,35,000	92,000

2 Notes forming part of Consolidated Financial Statement

2.23 Tax Expenses

[Amount in `]

Particulars	For the Period ended 31st March, 2018	2016-17
Provision for Taxation :		
(a) Current Tax	75,02,000	28,78,000
(b) Deferred Tax	19,498	22,931
(c) Income Tax of Earlier Years	-	4,455
	75,21,498	29,05,386

2.24 Balances of Sundry Debtors, Creditors and Loans and Advances are subject to confirmation from respective parties.

2.25 **Directors' Remuneration is made up of:**

Year	2017-18	2016-17
Salary	31,11,438	20,50,000
Total :...	31,11,438	20,50,000

2.26 **Auditors' Remuneration is made up of:**

Year	2017-18	2016-17
Audit Fees	1,00,000	69,000
Tax Audit Fees	25,000	23,000
Gst Audit Fees	10,000	-
Total :...	1,35,000	92,000

2.27 As the company has only one business segment, disclosure under Ind AS 18 on "Segment reporting" issued by the ICAI is not applicable.

2.28 Under the Micro, small and Medium Enterprise Development Act, 2006 read with notification No. 8/7/2006- CDN Dt 17/05/2007, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The company has not received any communication from its suppliers about their coverage under the said Act. Since the relevant information is not readily available, no disclosures have been made in the accounts. However in the view of the management, the impact of interest, if any, that may be payable as per the provisions of this Act is not expected to be material.

2.29 **Related Party Transactions**

Description of Relationships	Name of Related Parties
Associates	Nil
Entities under the control of Key Management Personnel and their relatives	Yash Chem Yashwantlal C. Shah HUF
Key Management Personnel (KMP)	
Chairman	Yashwantlal Chhanalal Shah
Managing Director	Pritesh Yashwantbhai Shah
Director	Dimple Priteshkumar Shah
Director	Raj Shah
Independent Director	Angee R. Shah
Independent Director	Vrusha Patel
Independent Director	Jinal D. Shah
Additional Director	Aadish Kalpeshbhai Shah
Relative of Director	Paxal P. Shah

Relative of Director	Chandrikaben Y. Shah	
Relative of Director	Komal Kalpeshbhai Shah	
Relative of Director	Kalpeshbhai Shah	
Transactions	31.03.2018	31.03.2017
Transaction with Entities under the control of Key Management Personnel and their relative		
Loans Taken/ (Repaid) Net		
Yash Chem	NIL	(68,07,163)
Yashwantlal C. Shah HUF	NIL	36,801
Interest Paid/(Received)		
Yash Chem	NIL	(1,48,429)
Pritesh Y Shah HUF	NIL	NIL
Yashwantlal C. Shah HUF	NIL	(36,801)
Balance Outstanding Dr/(Cr)		
Yash Chem	NIL	69,55,592
Pritesh Y Shah HUF	NIL	NIL
Yashwantlal C. Shah HUF	NIL	NIL
Transactions With Key Management Personnel		
Loans Taken/ (Repaid) Net		
Yashwantlal Chhanalal Shah	NIL	(3,07,271)
Dimple Priteshkumar Shah	NIL	NIL
Paxal P. Shah	NIL	NIL
Chandrikaben Y. Shah	NIL	NIL
Interest Paid/ (Received)		
Yashwantlal Chhanalal Shah	NIL	70,386
Dimple Priteshkumar Shah	NIL	NIL
Chandrikaben Y. Shah	NIL	NIL
Purchases		
Yash Chem	12,32,99,113	
Balance Outstanding Dr/(Cr)		
Yashwantlal Chhanalal Shah	NIL	NIL
Dimple Priteshkumar Shah	NIL	NIL
Paxal P. Shah	NIL	NIL
Chandrikaben Y. Shah	NIL	NIL
Directors Remuneration		
Pritesh Yashwantbhai Shah	14,00,000	8,00,000
Yashwantlal Chhanalal Shah	9,50,000	7,50,000
Dimple Pritesh Shah	6,03,390	5,00,000
Raj Shah	70,548	NIL
Adish Kalpeshbhai Shah	87,500	NIL
Director Sitting Fees		
Angee R. Shah	12,500	12,500
Vrusha A. Patel	12,000	NIL
Jinal D. Shah	15,000	NIL

The above information has been determined to the extent such parties have been identified on the basis of information provided by the management, which has been relied upon by the auditors.

2.30 Earning Per Share

The company has evaluated its earning per share as per the requirements of Accounting Standard 20 issued by the institute of Chartered Accountants of India as under:

Particulars	31.03.2018
Net Profit Attributable to	1,56,36,236
Weighted Average No. of Equity Shares in Nos.	1,02,43,425
Basic and Diluted Earning Per Share In Rupees	3.6
Nominal Value per Equity Share in Rupees	10

2.31 CIF Value of Imports Rs.2,70,12,541/-

2.32 Expenditure in Foreign Currency Rs. Nil

2.33 Earning in Foreign Exchange Rs. Nil/-

2.34 Yash Chemex Ltd has carried its subsidiary from F.Y. .2017-18 onwards, therefore, previous year figures are only of Holding Company i.e. Yash Chemex Ltd.

2.35 Additional Information Pursuant to Schedule III of Companies Act, 2013 for Consolidated Financial Statement for the Year ended 31st March 2018

Name of the Entity	Net Assets as on 31 st March, 2018		Share in Profit or Loss for the year ended 31 st March, 2018	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount
HOLDING COMPANY				
Yash Chemex Ltd.	93.34	14,26,09,355	89.04	1,20,35,121
SUBSIDIARY COMPANY				
Yasons Chemex Care Ltd.	40.40	6,17,26,116	26.64	36,01,117
Minority Interest	(19.80)	(3,02,58,142)	(15.69)	(21,20,207)
Consolidation Adjustments		(2,12,90,000)		-
TOTAL ATTRIBUTABLE TO OWNERS		15,27,87,329		1,35,16,031

For, **HARSHAD SUDHIR & CO.**
Chartered Accountants
FRN No. 129775W

(CA Sudhir S. Shah)
Partner
M.No. 115947

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Pritesh Y. Shah
Managing Director
(DIN:00239665)

Yashwantlal C. Shah
Chairman & Whole time Director
(DIN: 01002342)

Ahmedabad
29th May, 2018
99

Kiritbhai H. Shah
Chief Financial Officer

Aesha Mashru
Company Secretary

YASH CHEMEX LIMITED

CIN: L74110GJ2006PLC048385

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

Website:www.yashchemex.com; email id: yashchem@hotmail.com

Ph.: 91-79-26730257

ATTENDANCE SLIP

12th Annual General Meeting- 29th September, 2018

I/We hereby record my/our presence at the 12th Annual General Meeting of the Company held at Registered Office at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015, Gujarat, India on Saturday, 29th September, 2018, at 02:00 P.M.

Folio No. / Client ID/DPID No.

Full Name of the Shareholder:

Signature:

Full Name of Proxy:

Signature:

(To be filled in if the Proxy attends instead of the Member)

NOTE : Member / Proxy holders are requested to bring this Attendance Slip to the Meeting and hand over the same at the entrance duly signed.

YASH CHEMEX LIMITED

CIN: L74110GJ2006PLC048385

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

Website:www.yashchemex.com; email id: yashchem@hotmail.com

Ph.: 91-79-26730257

12th Annual General Meeting – 29th September, 2018

Form No. MGT-11

PROXY FORM

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

Name of the Member(s):

Registered Address:

Email:

Folio No./Client ID:

DP ID:

I/ We, being the Member(s) of..... Shares of the Yash Chemex Ltd., hereby appoint

Name:

Address:

Email:

Signature:

or failing him / her

Name:

Address:

Email:

Signature:

or failing him / her

Name:

Address:

Email:

Signature:

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 12th Annual General Meeting of the company, to be held on Saturday, 29th September, 2018 at 02:00 P.M. at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015, Gujarat, India and at any adjournment thereof:

Sr. No.	Resolutions	Optional*	
		For	Against
1.(a)	To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the financial year ended 31st March 2018, the reports of the Board of Directors and Auditors thereon.		
1.(b)	To receive, consider and adopt the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March 2018 and the Auditors Report thereon.		
2.	To approve Interim Dividends of Rs. 0.35 per Equity share, already paid during the financial year ended 31 st March, 2018.		
3.	To appoint a Director in place of Mr. Pritesh Y. Shah (DIN:00239665), Who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.		
4.	To appoint Mrs. Dimple P. Shah (DIN: 06914755) as a Director of the Company.		
5.	To Revise terms of Remuneration of Mr. Pritesh Y. Shah, Managing Director of the Company		
6.	To Revise terms of Remuneration of Mr. Yashwantlal C. Shah, Whole time Director of the Company		

Signed this Day of 2018

.....

Signature of the Member
holder(s)

.....

Signature of the proxy

**Affix Rs. 1/-
Revenue Stamp**

Signature of the shareholder
Across Revenue Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
4. In the case of joint holders, the signatures of any one holder will be sufficient, but names of all the joint holders should be stated.
5. The submission by a member of this form of proxy will not preclude such a member from attending in a person and voting at the meeting.

Google Maps **Sigma Icon**
Meeting spot

