

॥ श्री शंभुेश्वर पार्श्वनाथाय नमः ॥



Decide with Confidence



CHEMEX LIMITED



SMERA RATINGS LIMITED

(MSME No. GJ01A0020654)

IMPORTERS & EXPORTERS OF DYES, INTERMEDIATES & CHEMICALS

Regd. Office : 411, 4th Floor, Sigma Icon-1, Opp. Medilink Hospital, 132ft. Ring Road, Satellite, Ahmedabad-380015.

Ph. : 91-79-26 73 0257, 4002 8639 email : yashchem@hotmail.com Web : www.yashchemex.com

Ref. No. Date: 05.09.2019

CIN NO. L74110GJ2006PLC048385

Date :

To The Deputy Manager,
Department of Corporate Services-Listing,
Bombay Stock Exchange Ltd.,
Floor 25, P J Towers,
Dalal Street,
Mumbai-400001
Tel: 022-2272 7234/33

Ref: Yash Chemex Limited Scrip Code:539939

Sub: Date of Book Closure for the AGM

Dear Sir/Madam,

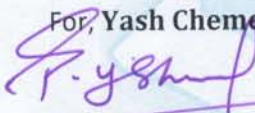
This is to inform you that the Annual General Meeting of the Company to be held on day, 30th September, 2019 at 05:00 p.m. at registered office at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015.

Accordingly register of member of the Company shall be closed from 23.09.2019 to 30.09.2019 (Inclusive both days) for the purpose to ascertaining the names of the Shareholders who will be entitled to participate in the AGM through remote e-voting/voting at the venue of AGM.

This is for your kind information.

Thanking You

For, Yash Chemex Limited


Pritesh Shah
Managing Director
DIN: 00239665





YASH CHEMEX LIMITED
(CIN: L74110GJ2006PLC048385)

13TH ANNUAL REPORT
2018-2019

CONTENT

Notice	2 to 25
Board of Director’s Report	26 to 58
Management Analysis & Discussion Report	59 to 61
Corporate Governance Report	62 to 94
Independent Auditors’ Report on Standalone Financial Statements	95 to 106
Standalone Balance Sheet	107 to 107
Standalone Statement of Profit & Loss	108 to 108
Standalone Cash Flow Statement	109 to 110
Standalone Statement of Changes in Equity for the year ended on March 31,2019.	111 to 111
Notes - 1 to 48 forming part of Financial Statements	112 to 147
Independent Auditors’ Report on Consolidated Financial Statements	148 to 156
Consolidated Balance Sheet	157 to 157
Consolidated Statement of Profit & Loss	158 to 158
Consolidated Cash Flow Statement	159 to 160
Consolidated Statement of Changes in Equity for the year ended on March 31,2019.	161 to 161
Notes 1 to 53 to Consolidated Accounts forming part of Financial Statements	162 to 204
Attendance Slip & Proxy Form	205 to 208

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Yashwantlal C. Shah - Chairman and Whole time Director
Mr. Pritesh Y. Shah - Managing Director
Mrs. Dimple P. Shah - Director (Appointed 19.07.18)
Mr. Raj V. Shah - Additional Director (Resigned 07.07.18)
Mr. Jinal D. Shah - Independent Director
Ms. Angee R. Shah - Independent Director
Ms. Vrusha A. Patel - Independent Director

AUDIT COMMITTEE

Mr. Jinal D. Shah Chairman
Mr. Pritesh Y. Shah Member
Ms. Angee R. Shah Member
Ms. Vrusha A. Patel Member

SHAREHOLDER'S RELATIONSHIP COMMITTEE

Mr. Jinal D. Shah Chairman
Ms. Angee R. Shah Member
Ms. Vrusha A. Patel Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Jinal D. Shah Chairman
Ms. Angee R. Shah Member
Ms. Vrusha A. Patel Member

AUDITORS OF THE COMPANY

M/s. Harshad Sudir & Co.,
Chartered Accountants
410, The Grand Mall, Opp. C.N Vidya Vihar,
S.M. Road, Ambavadi, Ahmedabad-15.

BANKERS 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
Tel. No.: 079- 40028639
Website: www.yashchemex.com

REGISTRAR & SHARE TRANSFER AGENT

Big Share Services Pvt. Ltd.
1st Floor Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai-400059.
Tel: 022 62638200 Fax: 022 62638299
Email id.: info@bigshareonline.com



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CHEMEX LIMITED



SMERA RATINGS LIMITED

(MSME No. GJ01A0020654)

IMPORTERS & EXPORTERS OF DYES, INTERMEDIATES & CHEMICALS

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Ph. : 91-79-26 73 0257, 4002 8639 email : yashchem@hotmail.com Web : www.yashchemex.com

CIN NO. L74110GJ2006PLC048385

Ref. No. :

Date :

Date: 05.09.2019

To The Deputy Manager,
Department of Corporate Services-Listing,
Bombay Stock Exchange Ltd.,
Floor 25, P J Towers,
Dalal Street,
Mumbai-400001
Tel: 022-2272 7234/33

Ref: Yash Chemex Limited Scrip Code: 539939

Sub: Notice of AGM to be held on Monday, 30th September, 2019

Dear Sir/Madam,

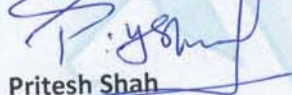
This is to inform you that the Annual General Meeting of the Company to be held on Monday, 30th September, 2019 at 05:00 p.m. at its registered office at 411, Sigma Icon-1, 132ft Ring Road, Satellite, Ahmedabad-380015.

Accordingly find below the Notice of the AGM.

This is for your kind information.

Thanking You,

For, **Yash Chemex Limited**



Pritesh Shah
Managing Director
DIN: 00239665



NOTICE OF THE 13TH (THIRTEEN) ANNUAL GENERAL MEETING

NOTICE is hereby given that the 13TH(THIRTEEN) ANNUAL GENERAL MEETING of the Members of **YASH CHEMEX LIMITED** will be held on **Monday, September 30, 2019** at 05.00 p.m. at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015, to transact the following **BUSINESS**:

ORDINARY BUSINESS:

1. To adopt Financial Statements for the Financial Year ended March 31, 2019.

To receive, consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements)of the Company for the Financial Year (F.Y.) ended March 31,2019 and the Reports of the Board of Directors and the Statutory Auditors thereon, including Annexures thereto.

2. To confirm the payment of Interim Dividend of 0.30 per equity share already paid during the year as the Final Dividend for the Financial Year 2018-19.

3. To appoint a Director in place of Mrs. Dimple P. Shah, Director (DIN:06914755), who retires by rotation and being eligible, offers himself for re-appointment, as a Director of the Company.

To consider, and if thought fit, to pass, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 152and other applicable provisions of the Companies Act, 2013, Mrs. Dimple P. Shah, Director(DIN:06914755), who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a “Director” of the Company.”

4. Appointment of Auditor

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 provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s Harshad Sudhir& Co., Chartered Accountants, Ahmedabad (Registration No. 129775W) be and is hereby appointed as Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting for the financial year 2023-24, at such remuneration as shall be fixed by the Audit Committee and Board of Directors of the Company.”

SPECIAL BUSINESS:**5. To approve payment of remuneration to Mr. Yashwantlal C. Shah (DIN:01002342), Whole Time Director**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to payment of such remuneration to Mr. Yashwantla C. Shah (DIN: 01002342), Whole Time Director, for the period from April 1, 2019 to September 02, 2019, as set out in the statement annexed to the Notice convening this Meeting with the liberty to the Board of Directors to alter and vary the said terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To re-appoint Mr. Yashwantlal C. Shah (DIN: 01002342), as a Whole Time Director

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

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198 and 203 and all other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 (‘Act’) and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Nomination and Remuneration Policy of the Company and any subsequent amendment/modification in the Rules, Act and/or applicable laws in this regard and subject to such approvals, consents, permissions and sanctions of the concerned authorities as may be necessary and subject to such conditions and modifications as may be prescribed, imposed or suggested by such concerned authorities while granting such approvals, consents, permissions and sanctions and as agreed to by the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for the re-appointment and payment of remuneration to Mr. Yashwantlal C. Shah (holding DIN 01002342) as Whole Time Director of the Company for a period of 3 (three) years with effect from 3rd September, 2019 to 2nd September, 2022 (both the days inclusive) to alter, amend, vary and modify the terms and conditions of the said re-appointment and remuneration payable from time to time as they deem fit in such manner as may be agreed upon by the Board of Directors and Mr. Yashwantlal C. Shah within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof:

1. Terms of Re-appointment:

With effect from 3rd September, 2019 to 2nd September, 2022

2. Remuneration:

- i. **Salary:** 16,00,000/- per annum (Rupees Sixteen Lacs per annum only) as may be decided by Board of Directors of the Company from time to time.
- ii. **Perquisites and allowances:** In addition to the salary, Mr. Yashwantlal C. Shah shall also be entitled to the perquisites and allowance

“RESOLVED FURTHER THAT notwithstanding to the above, in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Mr. Yashwantlal C. Shah, Whole Time Director of the Company, the remuneration payable to him shall be in accordance with the limits prescribed in Schedule V read with Sections 196 and 197 to the Companies Act, 2013 and subject to the approval of the Central Government / Members at the General Meeting, if required, as amended from time to time.”

“RESOLVED FURTHER THAT the Office of Mr. Yashwantlal C. Shah, Whole Time Director shall be liable to retire by rotation pursuant to Section 152(6) of Companies Act, 2013 and Rules made thereunder and any subsequent amendment(s) and / or modification(s) in the Act, Rules and / or applicable laws in this regard and Article of the Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

7. To re-appoint Mr. Pritesh Y. Shah (DIN: 00239665), as a Managing Director

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

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198 and 203 and all other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 (‘Act’) and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Nomination and Remuneration Policy of the Company and any subsequent amendment / modification in the Rules, Act and / or applicable laws in this regard and subject to such approvals, consents, permissions and sanctions of the concerned authorities as may be necessary and subject to such conditions and modifications as may be prescribed, imposed or suggested by such concerned authorities while granting such approvals, consents, permissions and sanctions and as agreed to by the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for the re-appointment and payment of remuneration to Mr. Pritesh Y. Shah (holding DIN 00239665) as Managing Director of the Company for a period of 3 (three) years with effect from 15th March, 2019 to 14th March, 2022 (both the days inclusive) to alter, amend, vary and modify the terms and conditions of the said re-appointment and remuneration payable from time to time as they deem fit in such manner as may be agreed upon by the Board of Directors and Mr. Pritesh Y. Shah within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof:

3. Terms of Re-appointment:

With effect from 15th March, 2019 to 14th March, 2022

4. Remuneration:

- iii. **Salary:** 23,00,000/- per annum (Rupees Twenty Three Lacs per annum only) as may be decided by Board of Directors of the Company from time to time.
- iv. **Perquisites and allowances:** In addition to the salary, Mr. Pritesh Y. Shah shall also be entitled to the perquisites and allowance

“RESOLVED FURTHER THAT notwithstanding to the above, in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Mr. Pritesh Y. Shah, Managing Director of the Company, the remuneration payable to him shall be in accordance with the limits prescribed in Schedule V read with Sections 196 and 197 to the Companies Act, 2013 and subject to the approval of the Central Government / Members at the General Meeting, if required, as amended from time to time.”

“RESOLVED FURTHER THAT the Office of Mr. Pritesh Y. Shah, Managing Director shall be liable to retire by rotation pursuant to Section 152(6) of Companies Act, 2013 and Rules made thereunder and any subsequent amendment(s) and / or modification(s) in the Act, Rules and / or applicable laws in this regard and Article of the Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

8. To approve payment of remuneration to Mrs. Dimple P. Shah (DIN:06914755), Director

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

“RESOLVED THAT pursuant to the provisions of Sections 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to payment of remuneration to Mrs. Dimple P. Shah (DIN: 06914755), Director, for the period from April 1, 2019 to March 31, 2020, as set out in the statement annexed to the Notice convening this Meeting with the liberty to the Board of Directors to alter and vary the said terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

9. Approval of Related Party Transaction regarding purchase and Sale with Yasons Chemex Care Limited

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

“RESOLVED THAT pursuant to provisions of Section 188 of Companies Act, 2013, and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), the Companies (Meetings of Board and its Powers) Rules, 2014 and such other rules as may be applicable and amended from time to time and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, (“Regulations”), consent of the members of the Company be and is hereby accorded for Material Related Party Transactions to be entered into by Company, as set out in explanatory statement annexed to the notice.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and hereby authorized to determine and finalize the terms & conditions related thereto from time to time and all other matters arising out of the incidental to the transactions and generally to do all acts, deeds, matters and things including variation in amount that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution.”

10. Approval of Related Party Transaction with Yash Chem:

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

“RESOLVED THAT pursuant to provisions of Section 188(1)(a) of Companies Act, 2013, and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), the Companies (Meetings of Board and its Powers) Rules, 2014 and such other rules as may be applicable and amended from time to time and Regulation 23 of Securities and Exchange Board of India (LODR) Regulations, 2015, (“Regulations”), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to approve Related Party Transactions entered by the Company as defined under section 188 of the Companies Act, 2013 with Yash Chem for purchase/sale of goods and materials not exceeding Rs. 15 Crores for the financial year 2019-20.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and hereby authorized to determine and finalize the terms & conditions related thereto from time to time and all other matters arising out of the incidental to the transactions and generally to do all acts, deeds, matters and things including variation in amount that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution.”

**By Order of the Board of Directors
of Yash Chemex Limited**

**Pritesh Y. Shah
Managing Director
DIN:00239665
Ahmedabad
September 05, 2019**

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

Tel. No.: 079- 40028639
Website: www.yashchemex.com;
Email: yashchem@hotmail.com;
CIN: L74110GJ2006PLC048385

NOTES:

1. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 (“the Act”), setting out the material facts relating to special businesses to be transacted at the 13th (Thirteenth) Annual General Meeting, as set out in this Notice is annexed hereto.
2. **A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE AGM INSTEAD OF HIMSELF/ HERSELF, AND THE PROXY NEED NOT BE A SHAREHOLDER 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 50 (Fifty) Shareholders and holding in aggregate, not more than 10% (Ten percent) of the total Share Capital of the Company. Shareholders holding more than 10% (Ten percent) of the total Share Capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other person / Shareholder. A proxy so appointed shall not have any right to speak at the Annual General Meeting. 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 (Forty-Eight) hours before the commencement of the Annual General 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 letter, as applicable issued on behalf of the nominating organization/authority.

3. Corporate Shareholders intending to send their authorized representative(s) to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the Board Resolution together with the respective specimen signature(s) of those representative(s) authorized under the said resolution to attend and vote on their behalf at the AGM.
4. During the period beginning 24 (Twenty-Four) hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a Shareholder would be entitled to inspect the proxies lodged with the Company at any time between the business hours at the Registered Office of the Company, provided that not less than 3 (Three) days’ of notice in writing is given to the Company.
5. Shareholder(s)/ Proxy(ies)/Authorised Representative(s) should bring/are requested to bring the duly filled in Attendance Slip enclosed herewith to the AGM mentioning therein details of DP ID and Client ID.
6. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Act, will be available for inspection by the Shareholders at the AGM.
7. The Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Shareholders during the AGM.

8. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, **September 23, 2019** to Monday, **September 30, 2019** (both days inclusive) for annual closing.
9. All documents in connection with the accompanying Notice are available for inspection at the Registered Office of the Company from 10.00 a.m. (IST) to 4.00 p.m. (IST) on all days except Saturdays, Sundays and Public Holidays, upto the date of the AGM.
10. Shareholders holding shares in dematerialised form are requested to direct changes, if any, pertaining to their name, email address, telephone / mobile numbers, address and bank account details including change in bank account number, IFSC, MICR Code, name of bank and branch details, to their respective Depository Participants.
11. Pursuant to Sections 101 and 136 of the Act read with relevant Rules framed thereunder, companies can serve Annual Reports and other communications through electronic mode to those Shareholders who have registered their e-mail address either with the Company or with the Depository Participant(s). Shareholders holding shares in dematerialised form are requested to register their e-mail address with their Depository Participant(s). In case of any change, the Shareholders are requested to update their e-mail address with the Depository Participant(s) to enable the Company to send electronic communications.
12. Shareholders of the Company who have registered their e-mail address are also entitled to receive such communication in physical form, upon request. For Shareholders who have not registered their e-mail addresses, physical copies would be sent by the permitted mode.
13. Members may also note that the Notice of 13th (Thirteenth) Annual General Meeting and the Annual Report for the Financial Year (F.Y.) 2018-19 will also be available on the Company's website www.yashchemex.com for download.
14. Unless the Shareholders have requested for hard copies of the same, the Notice of AGM, Annual Report, Attendance Slip, Route Map for the AGM Venue and Proxy Form are being sent in electronic mode to Members whose email address(es) are registered with the Company or the Depository Participant(s). Physical copy of the Notice of AGM, Annual Report, Attendance Slip, Route Map for the AGM Venue and Proxy Form are being sent to those Members who have not registered their e-mail address with the Company or Depository Participant(s). Shareholders who have received the Notice of AGM, Annual Report, Attendance Slip, Route Map for the AGM Venue and Proxy Form in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter at the AGM. Members are requested to furnish the printed Attendance Slip along with a valid identity proof such as PAN Card, Passport, Aadhaar Card or Driving License while entering the AGM hall.
15. Pursuant to the provisions of Sections 124 and 125 of the Act, there is no amount of Dividend remaining unclaimed / unpaid for a period of 7 (seven) years and/or unclaimed Equity Shares which are required to be transferred to the Investor Education and Protection Fund (IEPF).
16. Shareholders who have not encashed the dividend warrants for the previous year, are requested to make their claim with Bigshare Services Pvt. Ltd. at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059. As per

the provisions of Section 124(2) of the Companies Act, 2013, the Company has also uploaded details of Unclaimed dividend amount(s) for the Financial Year 2018-19, lying with the Company as on date of Annual Report on the website of the Company i.e., www.yashchemex.com

17. The Board of Directors, has declared interim dividend @ 30% i.e. Rs. 0.30 per equity share of Re. 10 each at its Meeting held on 14thFebruary, 2019 which was paid to the equity shareholders whose names appeared on the Company's Register of Members or in the records of the depositories as beneficial owners on 27thFebruary, 2019. The interim dividend so declared by the Board of Directors is being proposed to be confirmed as final dividend for the financial year ended 31stMarch, 2019 at the Meeting.
18. The Securities and Exchange Board of India ("SEBI") has made it mandatory for all listed companies to use the Bank Account details furnished by the Depositories and the Bank Account details maintained by the RTA for payment of Dividend through Electronic Clearing Service (ECS) to Shareholders wherever ECS and Bank details are available. In the absence of ECS facilities, the Company will print the Bank Account details, if available, on the payment instrument for distribution of Dividend. The Company will not entertain any direct request from Shareholders holding shares in electronic mode for deletion of / change in such Bank Account details. Further, instructions if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Shareholders who wish to change such Bank Account details are, therefore, requested to advise their Depository Participant(s) about such change, with complete details of Bank Account.
19. Shareholders holding the shares in electronic mode may please note that their dividend would be paid through National Electronic Clearing System (NECS) or Electronic Clearing Services (ECS) at the available RBI locations or NEFT. The dividend would be credited to their bank account as per the mandate given by the Shareholders to their Depository Participant(s). In the absence of availability of NECS/ECS/NEFT facility, the dividend would be paid through warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable Regulations.

Shareholders are requested to send their Bank Account particulars (viz. Account No., Name & Branch of the Bank and the MICR Code) to their Depository Participants (DPs) in case the shares are held in electronic mode or to the RTA in case the shares are held in physical mode for printing on dividend warrant to ensure that there is no fraudulent encashment of the warrants.

20. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. For the safety and interest of the Shareholders, it is important that bank account details are correctly provided to the Depository Participants and registered against their demat account.
21. Shareholders who have not provided the information regarding bank particulars, are requested to immediately notify the name of the bank and the branch, 9 digits MICR number, 11 digit IFSC and the nature of account along with a copy of cancelled cheque to Bigshare, in respect of shares held in physical form and to their Depository Participant in case of shares held in electronic form.

22. SEBI had vide Notification No. SEBI/LAD-NRO/ GN/2018/24 dated June 08, 2018 and SEBI/LAD-NRO/ GN/2018/49 dated November 30, 2018 read with BSE circular no. LIST/COMP/15/2018-19 dated July 05, 2018 and NSE circular no. NSE/CML/2018/26 dated July 09, 2018 and as per Regulation 40 of the Listing Regulations, as amended, directed that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019.
23. The details of the Directors seeking appointment and reappointment under Item Nos. 3, 6 and 7 of the Notice is annexed hereto in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India.
24. Shareholders are requested to send in their queries at least a week in advance to the Company Secretary at the Registered Office of the Company to facilitate clarifications during the AGM.

E-VOTING:

- i. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as per Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory amendment(s)/modification(s)/re-enactment(s) thereto], your Company has provided to the Shareholders holding shares in physical and dematerialised form, the facility to cast their votes, electronically, through the remote electronic voting service facility arranged by RTA ("Bigshare Services Pvt. Ltd.") on all resolutions set forth in this Notice.
- ii. Members, whose names appear in the Register of Members / list of Beneficial Owners as on Monday, September 23, 2019 ("Cut-off Date") are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.
- iii. The Company has entered into an arrangement with Central Depository Services (India) Limited ("CDSL") for facilitating remote e-Voting for the Meeting. The Members may cast their votes on electronic voting system to be provided by CDSL from place other than the venue of the Meeting ("remote e-Voting"). The remote e-Voting will commence on Friday, September 27, 2019 (9:00 a.m.) and will end on Sunday, September 29, 2019 (5:00 p.m.). The remote e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the Member, he/she shall not be allowed to change it subsequently. The Members desiring to vote through remote e-Voting are requested to refer to the detailed procedure given herein in the Notice.
- iv. In addition, the facility for voting through Polling Paper shall be made available at the Meeting and the Members attending the Meeting who have not cast their vote by remote e-Voting shall be able to exercise their right at the Meeting through Polling Paper.
- v. Members who have cast 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.

- vi. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- vii. The voting rights of Members shall be in the proportion of their shareholding in the Company as on Cut-off Date.
- viii. The Company has appointed Ms. Yashree Dixit, Practising Company Secretary (Membership No.: ACS-52508), proprietor of M/s. Yashree Dixit & Associates, Company Secretaries, Ahmedabad as the Scrutinizer, to scrutinize the entire voting process including remote e-Voting in a fair and transparent manner.

PROCEDURE FOR REMOTE E-VOTING:

- I. The instructions for shareholders voting electronically are as under:
 - i. The Members should log on to the e-voting website www.evotingindia.com
 - ii. Click on Shareholders.
 - iii. 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
 - iv. Enter the Image Verification as displayed and Click on Login.
 - v. 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.
 - vi. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

 - **PAN** Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Address Sticker.
 - **Dividend Bank Details OR Date of Birth (DOB)** Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.

If both the details are not recorded with the Depository Participate or Company, please enter the Member ID/ Folio Number in the Dividend Bank Details filed as mentioned in instruction (iii).
- 11.** After entering these details appropriately, click on "SUBMIT" tab.
- 12.** 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.

13. For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
14. Click on the EVSN for “Yash Chemex Limited” on which you choose to vote.
15. 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.
16. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
17. 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.
18. Once you “CONFIRM” your vote on the Resolution, you will not be allowed to modify your vote.
19. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
20. 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.
21. Shareholders can also cast their vote using Mobile app - “m - Voting”. Shareholders may log in to m-Voting using their e-voting credentials to vote for the company resolution(s).
22. Note for Non – Individual Shareholders and Custodians:
 - Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration form bearing stamp and sign of the entity should be emailed to helpdesk. evoting@cdslindia.com .
 - After receiving the login details, 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 emailed 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.
- II. 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 .
- III. Members can cast their vote online from September 27, 2019 (9:00 a.m.) till September 29, 2019 (5:00 p.m.). Remote e-Voting shall not be allowed beyond the said period.

- IV. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the Cut-off Date i.e. September 23, 2019, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or at joyv@bigshareonline.com. However, if he/she is already registered with CDSL for remote e-Voting then he/she can use his/ her existing User ID and password for casting vote. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” option available on www.evotingindia.com or contact CDSL at the Toll Free No.: 1800-22-5533.
- V. A person, whose name is recorded in the Register of Members or in the list of Beneficial Owners maintained by the Depositories as on Cut-off Date only shall be entitled to avail the facility of remote e-Voting as well as voting at the Meeting through Polling Paper.
- VI. The result of voting at the Meeting including remote e-Voting shall be declared after the Meeting but not later than Forty Eight Hours of the conclusion of the Meeting.
- VII. The result declared along with the Report of the Scrutinizer shall be placed on the website of the Company www.yashchemex.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The Company shall simultaneously forward the results to BSE Limited where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**Item No. 5**

Mr. Yashwantlal C. Shah (DIN: 01002342) was appointed as the Whole Time Director of the Company for a term of three (3) years w.e.f. September 03, 2016.

The members of the Company at their Annual General meeting held on September 29, 2018 had approved the payment of remuneration to Mr. Yashwantlal C. Shah upto the period ended on March 31, 2019.

The Board at its meeting held on May 28, 2019 has approved payment of remuneration for the further period from April 1, 2019 to September 02, 2019, for which approval the members is required. The remuneration proposed to be paid to Mr. Yashwantlal C. Shah, Whole Time Director has also been recommended by the Nomination and Remuneration Committee. The remuneration proposed will be within the limits permissible under Schedule V to the Act. Brief profile of Mr. Yashwantlal C. Shah is annexed to the notice. Keeping in view, the vast experience of Mr. Yashwantlal C. Shah, the Board of Directors has recommended the payment of remuneration for the period from April 01, 2019 to September 02, 2019 as set out herein below:

Remuneration

- I. **Salary:** 16,00,000/- per annum with increments as may be decided by the Board of Directors from time to time.
- II. **Perquisites and allowances:** In addition to the salary, Mr. Yashwantlal C. Shah shall also be entitled to the perquisites and allowance.

The statement containing additional information as required under Schedule V to the Act are annexed to the Notice.

Save and except Mr. Yashwantlal C. Shah and his relatives, none of the other Directors/Key Managerial Personnel of the Company/their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice. The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

Item No. 6

Mr. Yashwantlal C. Shah (DIN: 01002342) was appointed as the Whole Time Director of the Company for a term of three (3) years w.e.f. September 3, 2016.

In terms of the provisions of Schedule V of the Act, in case of inadequacy of profits, remuneration can be paid to the managerial personnel, without government approval, based on the effective capital of the company. The effective capital shall be calculated as on the last date of the financial year in which the appointment of the managerial personnel has been made.

The present remuneration of Mr. Yashwantlal C. Shah is based on the effective capital calculated as on March 31, 2016. However, the effective capital of the Company as on March 31, 2019 is substantially higher in comparison to the effective capital as on March 31, 2016. This will raise the upper cap on the remuneration payable to the Managing Director in terms of the Act and allow the

Company to justifiably remunerate Mr. Yashwantlal C. Shah commensurate with his experience and the present scale of activities of the Company.

Accordingly, the Board at its meeting held on May 28, 2019 has decided the reappointment of Mr. Yashwantlal C. Shah as Whole Time Director with effect from September 03, 2019 for a further period of three (3) years upto September 02, 2022 (both days inclusive) and pay him remuneration for a period of three (3) years from September 03, 2019 to September 02, 2022.

Re-appointment and remuneration proposed to be paid to Mr. Yashwantlal C. Shah, Whole Time Director has also been recommended by the Nomination and Remuneration Committee. The remuneration will be within the limits permissible under Schedule V to the Act. Broad particulars of the terms of re-appointment of Mr. Yashwantlal C. Shah, Whole Time Director and remuneration payable to him are as under:

I. Remuneration from September 03, 2019 to March, 2020

- I. **Salary:** 16,00,000/- per annum with increments as may be decided by the Board of Directors from time to time.
- II. **Perquisites and allowances:** In addition to the salary, Mr. Yashwantlal C. Shah shall also be entitled to the perquisites and allowance.

Revision and/or yearly increment on or after his reappointment to the above mentioned remuneration for the balance period i.e. upto July 31, 2020 as may be determined by the Board and / or the Nomination and Remuneration Committee of the Board, shall be within the overall ceiling of remuneration prescribed under Section 197 read with Schedule V to the Act.

II. Terms of re-appointment:

- a. The Whole Time Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- b. The Whole Time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- c. The Whole Time Director shall adhere to the Company's Code of Conduct.
- d. The office of the Whole Time Director may be terminated by the Company or by him by giving the other 3 (three) months' prior notice in writing.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Yashwantlal C. Shah under Section 190 of the Act.

Mr. Yashwantlal C. Shah has rich and varied experience in the industry and has been involved in the operations of the Company. It would be in the interest of the Company to continue to avail of his considerable expertise and to re-appoint Mr. Yashwantlal C. Shah as a Whole Time Director. Accordingly, approval of the members is sought for passing a Special Resolution for re-appointment of Mr. Yashwantlal C. Shah as a Whole Time Director, as set out in Part-I of Schedule V to the Act as also under sub-section (3) of Section 196 of the Act.

Save as provided in the foregoing paragraph, Mr. Yashwantlal C. Shah satisfies all other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment.

Details of Mr. Yashwantlal C. Shah is annexed to the Notice, pursuant to the provisions of Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India. The statement containing additional information as required under Schedule V of the Act is annexed to the Notice.

Save and except Mr. Yashwantlal C. Shah and his relatives, none of the other Directors/ Key Managerial Personnel of the Company / their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice. The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

Item No. 7

Mr. Pritesh Y. Shah (DIN: 00239665) was appointed as the Managing Director of the Company for a term of three (3) years w.e.f. March 15, 2016.

In terms of the provisions of Schedule V of the Act, in case of inadequacy of profits, remuneration can be paid to the managerial personnel, without government approval, based on the effective capital of the company. The effective capital shall be calculated as on the last date of the financial year in which the appointment of the managerial personnel has been made.

The present remuneration of Mr. Pritesh Y. Shah is based on the effective capital calculated as on March 31, 2016. However, the effective capital of the Company as on March 31, 2019 is substantially higher in comparison to the effective capital as on March 31, 2016. This will raise the upper cap on the remuneration payable to the Managing Director in terms of the Act and allow the Company to justifiably remunerate Mr. Pritesh Y. Shah commensurate with his experience and the present scale of activities of the Company.

Accordingly, the Board at its meeting held on March 05, 2019 has decided the reappointment of Mr. Pritesh Y. Shah as Managing Director with effect from March 15, 2019 for a further period of three (3) years upto March 14, 2022 (both days inclusive) and pay him remuneration for a period of three (3) years from March 15, 2019 to March 14, 2022.

Re-appointment and remuneration proposed to be paid to Mr. Pritesh Y. Shah, Managing Director has also been recommended by the Nomination and Remuneration Committee. The remuneration will be within the limits permissible under Schedule V to the Act. Broad particulars of the terms of re-appointment of Mr. Pritesh Y. Shah, Managing Director and remuneration payable to him are as under:

II. Remuneration from March 15, 2019 to March, 2020

- III. **Salary:** 23,00,000/- per annum with increments as may be decided by the Board of Directors from time to time.
- IV. **Perquisites and allowances:** In addition to the salary, Mr. Pritesh Y. Shah shall also be entitled to the perquisites and allowance.

Revision and/or yearly increment on or after his reappointment to the above mentioned remuneration for the balance period i.e. upto March 14, 2022 as may be determined by the Board and/or the

Nomination and Remuneration Committee of the Board, shall be within the overall ceiling of remuneration prescribed under Section 197 read with Schedule V to the Act.

III. Terms of re-appointment:

- e. The Managing Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.
- f. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- g. The Managing Director shall adhere to the Company's Code of Conduct.
- h. The office of the Managing Director may be terminated by the Company or by him by giving the other 3 (three) months' prior notice in writing.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Pritesh Y. Shah under Section 190 of the Act.

Mr. Pritesh Y. Shah has rich and varied experience in the industry and has been involved in the operations of the Company. It would be in the interest of the Company to continue to avail of his considerable expertise and to re-appoint Mr. Pritesh Y. Shah as a Managing Director. Accordingly, approval of the members is sought for passing a Special Resolution for re-appointment of Mr. Pritesh Y. Shah as a Managing Director, as set out in Part-I of Schedule V to the Act as also under sub-section (3) of Section 196 of the Act.

Save as provided in the foregoing paragraph, Mr. Pritesh Y. Shah satisfies all other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment.

Details of Mr. Pritesh Y. Shah is annexed to the Notice, pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The statement containing additional information as required under Schedule V of the Act is annexed to the Notice.

Save and except Mr. Pritesh Y. Shah and his relatives, none of the other Directors/ Key Managerial Personnel of the Company / their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice. The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

Item No. 8

Mrs. Dimple P. Shah (DIN: 06914755) was appointed as the Director of the Company w.e.f. July 19, 2018.

The Board at its meeting held on May 28, 2019 has approved payment of remuneration for the period from April 1, 2019 to March 31, 2019, for which approval the members is required. The remuneration proposed to be paid to Mrs. Dimple P. Shah, Director has also been recommended by the Nomination

and Remuneration Committee. The remuneration proposed will be within the limits permissible under Schedule V to the Act. Brief profile of Mrs. Dimple P. Shah is annexed to the notice. Keeping in view, the vast experience of Mrs. Dimple P. Shah, the Board of Directors has recommended the payment of remuneration for the period from April 1, 2019 to March 31, 2019 as set out herein below:

Remuneration

- I. **Salary:** 9,00,000/- per annum with increments as may be decided by the Board of Directors from time to time.
- II. **Perquisites and allowances:** In addition to the salary, Mrs. Dimple P. Shah shall also be entitled to the perquisites and allowance.

The statement containing additional information as required under Schedule V to the Act are annexed to the Notice.

Save and except Mrs. Dimple P. Shah and her relatives, none of the other Directors/Key Managerial Personnel of the Company/their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice. The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V TO THE ACT

I. General Information

- i. **Nature of industry:** Importing, Exporting and Trading of Chemicals, dyes and intermediate, to promote chemical companies for the IPO and Indenting Agent.
- ii. **Date of commencement of commercial production:** The Company carries on Chemical business since its incorporation.
- iii. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not applicable, since the Company was incorporated on June 03, 2006.
- iv. **Financial performance based on given indicators:** Financial Performance of the Company for the year ended 31st March, 2019

Revenue from operations:- 92,24,76,318

Other Income: 18,60,659

Total Expenditure:- 89,68,47,021

Net Profit before tax:- 2,74,89,956

Profit after tax (after deducting comprehensive income):- 3,13,59,672

Foreign investments or collaborations, if any.

The share capital of the Company is entirely held by domestic Indian Bodies Corporate and Individuals.

II. Information about the appointee:

1. Background details: Mr. Yashwantlal C. Shah

Mr. Yashwantlal C. Shah aged approximately 78 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.

2. Past remuneration

The total remuneration of Mr. Yashwantlal C. Shah for the financial year ended 31st March, 2019 was 13,00,000/- comprising of salary and perquisites.

3. Recognition or awards

None

4. Job profile and his suitability

As a Whole Time Director, Mr. Yashwantlal C. Shah is entrusted with to perform such duties and exercise such powers as have been or may from time to time be entrusted or conferred upon him by the Board. Mr. Yashwantlal C. Shah is a Senior Corporate Executive of proven calibre and skill and is having wide ranging experience in project planning and management.

5. Remuneration proposed

As per item no 5 and 6 of the 'Statement pursuant to section 102(1) of the Companies Act, 2013' annexed to the Notice.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)

There are no set standards for remuneration in the industry. The executive remuneration in the industry has been increasing significantly in last few years. Having regard to the type of industry, trends in the industry, size of the Company, the responsibilities, academic background and capabilities, the Company believes that the remuneration proposed to be paid to Mr. Yashwantlal C. Shah as a Whole Time Director is appropriate.

The Company has its own remuneration policy based on role perceived and played by employees at top levels. Considering his rich experience, competence, and the growth and development of the Company under his leadership, the terms of his remuneration are considered fair and reasonable.

7. 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, he is promoter of Company & holds 5.90% of total shareholding of the Company as on 31st March, 2019. He is father of Managing Director Mr. Pritesh Y. Shah and father in law of Dimple P. Shah, Director of the Company.

1. Background details: Mr. Pritesh Y. Shah

Mr. Pritesh Y. Shah is Promoter and Managing Director of Company. He has done B. Sc in Chemistry from Gujarat University. He has experience of more than 20 years in Chemical Industry. He is the guiding force behind the strategic decision of company and formulating the overall business strategy and developing business.

2. Past Remuneration

The total remuneration of Mr. Pritesh Y. Shah for the financial year ended 31st March, 2019 was 18,94,520/- comprising of salary and perquisites.

3. Recognition or awards

None

4. Job Profile and his suitability

Mr. Pritesh Y. Shah, being a Managing Director, provides leadership, strategic vision and direction to the Company business operations. He has rich and varied experience to handle diverse nature of businesses of the Company and the vision to take the business forward. Considering his qualifications, vast experience and deep knowledge of the business in which Company operates and also contribution made by him towards growth of the Company, the remuneration proposed commensurate with his job profile and is justified.

5. Remuneration proposed

The remuneration proposed to be paid to Mr. Pritesh Y. Shah is provided in Item No. 7 of the Notice.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin).

The remuneration payable have been benchmarked with the remuneration being drawn by peers in similar capacity in Chemicals Companies of comparable size in the Chemical Industry and has been considered by the Nomination and Remuneration Committee of the Company at the meeting held on 23rd February, 2019. The profile of the Managing Director, his responsibilities, complex business operations, industry benchmark and size of the Company justify the payment of said remuneration.

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

Mr. Pritesh Y. Shah is promoter of the Company. He has no other pecuniary relationship with the Company except to the extent of his remuneration and shareholding in the Company. He is son of Mr. Yashwantlal C. Shah, Whole time Director and Husband of Mrs. Dimple P. Shah, Director of the Company.

1. Background details: Mrs. Dimple P. Shah

Mrs. Dimple P. Shah is Director of Company. He hold a Bachelor degree in commerce. She has knowledge and Experience in Administrative field.

2. Past Remuneration

Nil

3. Recognition or awards

None

4. Job Profile and her suitability

Mrs. Dimple P. Shah, being a Director, Considering her vast experience and deep knowledge of the business in which Company operates and also contribution made by him towards growth of the Company, the remuneration proposed commensurate with her job profile and is justified.

5. Remuneration proposed

The remuneration proposed to be paid to Mrs. Dimple P. Shah is provided in Item No. 8 of the Notice.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin).

The remuneration payable have been benchmarked with the remuneration being drawn by peers in similar capacity in Chemicals Companies of comparable size in the Chemical Industry and has been considered by the Nomination and Remuneration Committee of the Company at the meeting held on 28th May, 2019. The profile of the Director, her responsibilities, complex business operations, industry benchmark and size of the Company justify the payment of said remuneration.

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

Mrs. Dimple P. Shah is Director of the Company. She has no other pecuniary relationship with the Company except to the extent of her remuneration and shareholding in the Company. She is wife of Mr. Pritesh Y. Shah, Managing Director of the Company.

III. Other information:**1. Reasons of loss or inadequate profits**

The profit margins are inadequate primarily due to the following :

The Company was incorporated Yasons Chemex Care Limited as subsidiary Company in October, 2017 and the industry has a long working capital cycle which impacts the cost of operations and thereby margins.

2. Steps taken or proposed to be taken for improvement

Following steps taken by the Company for improvement:

- The Company has increased its revenue significantly which will help it achieve increased profits.
- Focus on the large size business
- Effort on putting in place appropriate working capital mechanism.

3. Expected increase in productivity and profits in measurable terms

Barring unforeseen circumstances, the Company hopes to increase the revenue and profits by improved margins in next 2 years.

Item No. 9 & 10

Pursuant to provisions of Section 188 of the Companies Act, 2013 read with rules made thereunder and in terms of applicable provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 consent of the members by way of ordinary resolution is required for approval of material related party transactions entered / proposed to be entered in to by the Company with it's related parties.

Your Company has some related party transactions with M/s. Yasons Chemex Care Ltd. and with M/s. Yash Chem which is likely to increase during the financial year 2019-20 and will be considered as Material Related Party Transactions. The Audit Committee and Board of Directors of the Company at it's meeting held earlier has accorded it's approval for the said related party transactions and for which your approval is required u/s 188 of the Companies Act, 2013 and also under the provisions of SEBI (LODR) Regulations, 2015. The details of the proposed material related party transactions are given below.

Sr. No.	Name of Related Party	Name of director or KMP and their relatives who are related, if any	Nature of relationship	Nature of transactions	Proposed/ Amount of Transaction
1.	Yash Chem	<ul style="list-style-type: none"> • Mr. Pritesh Y. Shah, Managing Director • Mrs. Dimple P. Shah and • Mr. Yashwantlal C. Shah are relatives of Managing Director 	Mr. Pritesh Y. Shah is a Proprietor of Yash Chem	Purchase and Sales of chemicals	To the extent of Rs. 15 Crores p.a.
2.	Yasons Chemex Care Limited	<ul style="list-style-type: none"> • Mr. Pritesh Y. Shah, Managing Director 	Company having Common Director	Purchase and Sales of chemicals	To the extent of Rs. 20 Crores p.a.

		<ul style="list-style-type: none"> Mrs. Dimple P. Shah is relative of Managing Director 			
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As per the SEBI Listing regulations, related parties of the Company shall abstain from voting on the said resolutions.

Accordingly, approval of members is sought by passing an ordinary resolutions.

The proposal outlined above is in the interest of the Company and the Board recommends the resolution set out in Item No.9 & Item No. 10 to the accompanying Notice as an ordinary resolutions. None of the Directors (Except mentioned above), relatives of Directors (Except mentioned above) and Key Managerial Personnel and their relatives of the Company is directly/ indirectly interested in the above resolutions.

BRIEF RESUME OF DIRECTOR(S) APPOINTMENT/RE-APPOINTMENT AT THE 13TH ANNUAL GENERAL MEETING OF THE COMPANY

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	Pritesh Y. Shah	Yashwantlal C. Shah	Dimple P. Shah
Director Identification Number (DIN)	00239665	01002342	06914755
Date of Birth	April 25, 1975	August 03, 1941	June 20, 1977
Age (in Years)	44 Years	78 years	42 years
Nationality	Indian	Indian	Indian
Date of Appointment (DD/MM/YYYY)	June 03, 2006	June 03, 2006	July 19, 2018
Qualification	B.Sc. & Diploma in Export Import Management	B.Com	B.Com
Nature of expertise in specific functional areas	Chemicals	Management	Management
Number of Equity Shares held in the Company By Self:	17,60,004	6,03,850	7,80,500
As a Beneficial Owner of:	9,72,496 (as Pritesh Y. Shah –HUF)	7,49,192 (as Yashwantlal C. Shah – HUF)	Nil
Number of Board Meetings attended during the Financial Year 2018-19	15 (Fifteen)	15 (Fifteen)	8 (Eight)
Directorships held in other	<ul style="list-style-type: none"> Unlisted Company Public 	None	<ul style="list-style-type: none"> Unlisted Company Public

Companies (excluding Foreign Companies and Section 8 Companies)	Yasons Chemex Care Limited		Yasons Chemex Care Limited
Chairmanships of Committees in other companies	None	None	None
Memberships of Committees in other companies	None	None	None
Relationships between directors inter-se	Son of Mr. Yashwantlal C. Shah and Husband of Mrs. Dimple P. Shah	Father of Mr. Pritesh Y. Shah and Father in Law of Mrs. Dimple P. Shah	Wife of Mr. Pritesh Y. Shah and daughter in law of Mr. Yashwantlal C. Shah
Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person.	Terms and conditions of re-appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website , i.e., www.yashchemex.com	Terms and conditions of re-appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website , i.e., www.yashchemex.com	Terms and conditions of re-appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website , i.e., www.yashchemex.com

DIRECTORS' REPORT

TO THE MEMBERS:

Your Directors have pleasure in presenting the Directors' Report along with the Audited Financial Statements for the Financial Year (F.Y.) 2018-19.

FINANCIAL SUMMARY:

Your Company's Standalone and Consolidated performance during the Financial Year (F.Y.) 2018-19 as compared with that of the previous Financial Year (F.Y.) 2017-18 is summarized below:-

(Amount in Rs.)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Total Income	92,43,36,977	85,57,33,146	99,37,01,071	87,76,56,935
Profit Before Taxation & Exceptional Items	2,74,89,956	2,36,92,180	369,09,345	2,82,73,162
Add: Exceptional Items	0	0	0	0
Profit Before Taxation (PBT)	2,74,89,956	2,36,92,180	3,69,09,345	2,82,73,162
Less: Tax Expense	(79,81,901)	(73,98,960)	1,09,05,676	87,11,908
Profit after Taxation (PAT)	1,95,08,055	1,62,93,221	2,60,03,669	1,95,61,254

REVIEW OF OPERATIONS / STATE OF AFFAIRS OF THE COMPANY, ITS SUBSIDIARY

Review of Operations / State of Affairs of the Company:

There has been no change in the nature of business of your Company during the Financial Year (F.Y.) 2018-19.

Your Company operates single segment business viz. Trading of Chemical. At standalone level, the net revenue from operations stood at Rs. 92.43 crores compared with Rs. 58.57 Crores in the Previous Year. The operating profit before tax stood at Rs. 2.75 crores as against Rs. 2.37 in the Previous Year. Total Comprehensive Income for the year after tax stood at Rs. 3.14 crores compared to Rs. 1.46 crores reported in the Previous Year. The Net Consolidated Revenue from operations for financial year 2018-19 was at Rs. 99.37 Crores as against Rs. 87.77 crores in the Previous Year, registering a growth of 13.22%. The Consolidated operating profit before tax stood at 3.69 crores as against Rs. 2.83 crores in the Previous Year. Total Comprehensive Income for the year after tax stood at Rs. 3.79 crores compared to Rs. 1.79 crores reported in the Previous Year.

The Chemical Industry in India is witnessing an unprecedented growth opportunity largely due to International events. For a company like Yash Chemex, which is into chemical intermediates, the opportunity stands accentuated as its products support a wide range of industries. In the current scenario, Chemical Intermediates are witnessing a big jump in demand both due to growing

demand from domestic end user industries and reduced availability of intermediates from China. Your Company expects the situation to remain conducive in the foreseeable future

Your Company has interests in several businesses including FMCG products like Perfume, Pocket Perfumes, Body Deodorant Sprays, Refreshing Toners, Hair-Re-Growth Oil, hand-made Natural Soaps and manufacturing of Industrial Dyes, Pigments Paste and Intermediates through its subsidiary

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of our Subsidiary in the Form AOC-1 is annexed and form part of the Annual Report as **Annexure A**. In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the consolidated financial statements, audited accounts of the Subsidiary and other documents are available on your Company's website: www.yashchemec.com.

MATERIAL CHANGES AND COMMITMENTS SINCE THE FINANCIAL YEAR END:

There have been no material changes and commitments affecting the financial position of your Company which have occurred between March 31, 2019, and the date of this Directors' Report.

DIVIDEND

Pursuant to the approval of the Board of Directors on February 14, 2019, your Company paid an interim dividend of Rs. 0.30/- per equity share of face value of Rs. 10/- each, to shareholders who were on the register of members as on February 27, 2019, being the record date fixed for this purpose. The Board has not recommended a final dividend and the interim dividend of Rs. 0.30/- per equity share declared by the Board in February 2019 shall be considered as the final dividend for the financial year 2018-19. Thus, the total dividend for the financial year 2018-19 remains Rs. 0.30 per equity share.

TRANSFER TO RESERVES

Your Company has earned adequate profit during the financial year 2018-19. The directors have decided to plough back the profit into the business and declare Interim Dividend for the financial year ended March 31, 2019. The Board proposes to transfer balance of profit to the General Reserve.

SHARE CAPITAL

There has been no change in the Company's Issued, Subscribed and Paid-up Equity Share Capital in between the end of financial year 31st March, 2018 and 31st March, 2019. On 31st March, 2019, the Equity Share Capital stood at Rs. 1024.34 Lacs, divided in to 10243425 Equity Shares of Rs. 10 each.

EXTRACT OF ANNUAL RETURN

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the annual return for FY 2019 is given in **Annexure B** in the prescribed Form No. MGT-9, which is a part of this report. The same is available on the website of the Company i.e., <http://www.yashchemex.com>

DEPOSITS

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Raj V. Shah, resigned from the directorship of the Company w.e.f. July 07, 2018 in terms of the provisions of Section 168 of the Companies Act, 2013.

Mrs. Dimple P. Shah has been appointed as a Director of the Company w.e.f July 19, 2018

Mrs. Dimple P. Shah (Director) shall retire by rotation at the ensuing 13th (Thirteen) Annual General Meeting (AGM) of the Company in accordance with the provisions of the Section 152 of Companies Act, 2013 and being eligible offer herself for re-appointment.

The following are the **Key Managerial Personnel (KMP)** of your Company pursuant to the provisions of Section 203 of the Companies Act, 2013, throughout the Financial Year 2018-19:-

1. Mr. Pritesh Y. Shah -Managing Director
2. Mr. Yashwantlal C. Shah-Whole Time Director
3. Mr. Kiritkumar H. Shah –Chief Financial Officer
4. Ms. Aesha J. Mashru-Company Secretary and Compliance Officer

POLICY ON APPOINTMENT & REMUNERATION OF DIRECTORS:

In order to ensure compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions, the Nomination and Remuneration Committee of the Board of Directors of the Company have formulated the Nomination and Remuneration Policy.

The Nomination and Remuneration Policy of your Company have been made available on the website of the Company i.e., <http://www.yashchemex.com>

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:

As on March 31, 2019, the following Directors on your Board were Independent:

Mr. Jinal D. Shah	(Independent Director)
Ms. Angee R. Shah	(Independent Director)
Ms. Vrusha A. Patel	(Independent Director)

Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, disclosure is hereby given that the Company has received declaration / confirmation of independence from all the 3 (three) Independent Directors, of the Company pursuant to Section 149(6) of the Companies Act, 2013, as may amended from time to time, after undertaking due assessment of the veracity of the same and the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The certificates of Independence received from all the Independent Directors have been duly noted by the Board.

MEETINGS OF THE BOARD OF DIRECTORS:

The Meetings of the Board of Directors are pre-scheduled and intimated to all the Directors in advance in order help them plan their schedule. However, in case of special and urgent business needs, approval is taken either by convening meetings at a shorter notice with consent of all the Directors.

There were 15 (fifteen) Meetings of the Board of Directors held during the Financial Year (F.Y.) 2018-19, (i.e., May 09, 2018, May 29, 2018, June 02, 2018, June 07, 2018, June 26, 2018, June 30, 2018, July 19, 2018, July 21, 2018, August 30, 2018, September 05, 2018, December 10, 2018, December 26, 2018, January 24, 2019, February 14, 2019 and March 05, 2019).

The maximum gap between two Board Meetings did not exceed 120 (One Hundred Twenty) days.

AUDIT COMMITTEE:

Pursuant to the provisions of Section 177(8) of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted an Audit Committee of the Board of Directors.

The Audit Committee comprises of the following Members:-

1. Mr. Jinal D. Shah (Chairman - Non-Executive, Independent Director)
2. Ms. Anjee R. Shah (Member –Non-Executive-Independent Director)
3. Ms. Vrusha A. Patel (Member - Non-Executive-Independent Director)
4. Mr. Pritesh Y. Shah (Member-Executive Director)

The Chief Financial Officer attend the Audit Committee Meetings as Invitees. The Company Secretary and Compliance Officer acts as Secretary to the Audit Committee. The Audit Committee has made observations and recommendations to the Board of Directors, which have been noted and accepted by the Board.

During the Financial Year 2018-19, all recommendations made by the Audit Committee to the Board of Director were accepted by the Board and there were no instances where the recommendations were not accepted.

There were 5 (five) Meetings of the Audit Committee held during the Financial Year 2018-19 (i.e., on May 07, 2018, May 29, 2018, September 04, 2018, December 10, 2018 and February 14, 2019).

NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014 and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015, your Company has constituted a Nomination and Remuneration Committee of the Board of Directors.

The Nomination and Remuneration Committee comprises of the following Members:-

1. Mr. Jinal D. Shah (Chairman - Non-Executive, Independent Director)
2. Ms. Angee R. Shah (Member –Non-Executive-Independent Director)
3. Ms. Vrusha A. Patel (Member - Non-Executive-Independent Director)

There were 3 (three) Meetings of the Nomination and Remuneration Committee held during the Financial Year 2018-19 (i.e., on May 29, 2018, July 19, 2018 and February 23, 2019).

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Stakeholders' Relationship Committee of the Board of Directors, comprising of the following Members as on March 31, 2019:-

1. Mr. Jinal D. Shah (Chairman - Non-Executive, Independent Director)
2. Ms. Angee R. Shah (Member –Non-Executive-Independent Director)
3. Ms. Vrusha A. Patel (Member - Non-Executive-Independent Director)

During the Financial Year 2018-19, 4 (Four) Meeting of the Stakeholders' Relationship Committee was held, i.e., on April 07, 2018, July 10, 2018, October 08, 2018 and January 09, 2019.

MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors met once during the Financial Year 2018-19, i.e., on March 28, 2019.

The Meeting of the Independent Directors was conducted in an informal manner without the presence of the Chairman, Managing Director, Chief Financial Officer and the Company Secretary & Compliance Officer.

VIGIL MECHANISM:

Your Company has adopted a Whistle Blower Policy as a part of its vigil mechanism. The purpose of the Policy is to enable employees to raise concerns regarding unacceptable improper practices and/ or any unethical practices in the organisation without the knowledge of the Management. All employees shall be protected from any adverse action for reporting any unacceptable or improper practice and/or any unethical practice, fraud, or violation of any law, rule, or regulation. This Policy is also applicable to the Directors and Employees of the Company. Mr. Jinal D. Shah, has been appointed as the 'Whistle Blowing Officer', and his contact details have been mentioned in the Policy. Furthermore, employees are also free to communicate their complaints directly to the Chairman /Members of the Audit Committee, as stated in the Policy. The Policy is available on the website of the Company. On a quarterly basis, the Audit Committee reviews reports made under this policy and implements corrective actions, wherever necessary.

PERFORMANCE EVALUATION:

The Board has carried out an Annual Performance Evaluation of its own, the Directors individually as well as the evaluation of the working of its Committees. The performance evaluation of the Board as a whole, Chairman and Non-Independent Directors was carried out by the Independent Directors.

A structured questionnaire was prepared after taking in to consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The confidential online questionnaire was responded to by the Directors and vital feedback was received from them on how the Board currently operates and how it can enhance its effectiveness. The Board of Directors has expressed its satisfaction with the evaluation process.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE & INTERNAL COMPLAINTS COMMITTEE:

Your Company is committed to creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation.

The Board of Directors of your Company has constituted Internal Complaints Committees (ICCs) at Head Office pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

The ICC at the Head Office level consists of the following Members as on March 31, 2019:

1. Mrs. Dimple P. Shah (Chairperson)
2. Ms. Angee R. Shah (Member)
3. Ms. Khiloni H. Seth (Member)

The Company has formulated and circulated to all the employees, a policy on prevention of sexual harassment at workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment.

There were no complaints of sexual harassment received by the ICC during the Financial Year 2018-19.

SIGNIFICANT REGULATORY OR COURT ORDERS:

During the Financial Year 2018-19, there were no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of the Company and its operations in future.

CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

During the period under review Company has entered into transactions with related parties. The particulars of every contract or arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 are disclosed in Note 45 of standalone Financial Statement.

The Policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: www.yashchemex.com There are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

INTERNAL FINANCIAL CONTROLS WITH RESPECT TO FINANCIAL STATEMENTS:

Your Company is committed to constantly improve the effectiveness of internal financial controls and processes for efficient conduct of its business operations and ensuring security to its assets and timely preparation of reliable financial information. In the opinion of the Board, the internal

financial control system of the Company commensurate with the size, scale and complexity of business operations of the Company.

Further, the internal financial controls with reference to the Financial Statements are adequate in the opinion of the Board of Directors and were operating effectively.

The Company has a proper system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive programme of internal, external audits and periodic review by the Management. This system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets.

The Statutory Auditors and the Internal Auditors were, inter alia, invited to attend the Audit Committee Meetings and present their observations on adequacy of Internal Financial Controls and the steps required to bridge gaps, if any. The Board of Directors noted the observations and accepted the recommendations of the Audit Committee.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions contained in sub-sections (3)(c) and (5) of Section 134 of the Companies Act, 2013, the Directors of your Company confirm that:-

- a. in the preparation of the Annual Accounts for the Financial Year (F.Y.) 2018-19, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year (i.e., March 31, 2019) and of the profit and loss of the Company for that period (i.e., the Financial Year 2018-19);
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the Annual Accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE:

As required by Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a detailed report on Corporate Governance is included in the Annual Report.

Yashree Dixit & Associates, Company Secretaries have certified the Company's compliance requirements of Corporate Governance in terms of Regulation 34 of the Listing Regulations and their Compliance Certificate is annexed to the Report on Corporate Governance.

STATUTORY AUDITORS

Pursuant to the provisions of section 139 of the Companies Act, 2013, an audit firm can act as auditors of a listed company for a maximum tenure of two terms of 5 consecutive years. For the purpose of reckoning this limit, existing tenure of the auditors needs to be counted. Further, companies have been given a transition time of 3 years from April 1, 2014 to comply with this provision.

As per the above requirement, the term of Company's auditors, Harshad Sudhir & Co., (Registration No.129775W) Chartered Accountants, Ahmedabad, comes to an end with the conclusion of audit for the financial year 2018-19. After conducting a detailed evaluation and based on the recommendation of Audit Committee, the Board approved the proposal for placing at the 13thAGM the matter of appointment of Harshad Sudhir & Co., Chartered Accountants (Registration No. 129775W) as statutory auditors of the Company for a term of 5 years from the financial year 2019-20 onwards on such terms and conditions and remuneration as may be decided by the Audit Committee. A resolution to that effect forms part of notice of the 13thAGM sent along with this Annual Report.

AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by Harshad Sudhir & Co., Statutory Auditors, in their report for the financial year ended March 31, 2019. Pursuant to provisions of section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud to the Audit, Risk and Compliance Committee during the year under review.

SECRETARIAL AUDITORS & SECRETARIAL AUDIT REPORT:

The Board of Directors of your Company appointed Yashree Dixit & Associates, Company Secretaries (Membership No.: 52508) as the Secretarial Auditors of the Company for the conduct of Secretarial Audit for the Financial Year 2019-20, pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report submitted by the Secretarial Auditor is annexed as “**ANNEXURE –C**” to this Board's Report.

The qualification/observation of the Secretarial Auditor is self-explanatory.

RESPONSES TO QUALIFICATIONS, RESERVATIONS, ADVERSE REMARKS & DISCLAIMERS MADE BY THE STATUTORY AUDITORS AND THE SECRETARIAL AUDITORS:

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their report on Financial Statements for the Financial Year (F.Y.) 2018-19.

There are no qualifications, reservations, adverse remarks and disclaimers of the Secretarial Auditors in their Secretarial Audit Report for the Financial Year (F.Y.) 2018-19.

The qualification/observation of the Secretarial Auditor is self-explanatory.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND 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.

POLICIES OF THE COMPANY:

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) have mandated the formulation of certain policies for all listed companies. All the Policies are available on the Company’s website, www.yashchemex.com.

The key policies that have been adopted by the Company pursuant to the provisions of the Companies Act, 2013 and the Rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws are as follows:

Sr. No.	Name of the Policy	Brief Particulars of the Policy
1.	Risk Management Policy	The Company has in place, a Risk Management Policy which was framed by the Board of Directors of the Company. This Policy deals with identifying and assessing risks such as operational, strategic, financial, security, property, regulatory, reputational, cyber security and other risks and the Company has in place an adequate Risk Management infrastructure capable of addressing these risks. The Board of Directors of your Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of the Company.

2.	Policy for determining Material Subsidiaries	<p>This Policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the Company in order to comply with the requirements of Regulation 16(1)(c), Regulation 24 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.</p> <p>As on March 31, 2019, Yasons Chemex Care Limited is a material unlisted subsidiary of your Company.</p> <p>Subsidiary of your Company.</p>
3.	Nomination and Remuneration Policy	<p>This Policy formulates the criteria for determining qualifications, competencies, positive attributes and independence of a Director and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other Senior Management Employees.</p>
4.	Policy on Familiarization Programmes for Independent Directors	<p>Your Company has a Policy on Familiarization Programmes for Independent Directors, which lays down the practices followed by the Company in this regard, on a continuous basis.</p>
5.	Whistle Blower Policy / Vigil Mechanism	<p>Your Company has a Vigil Mechanism/Whistle Blower Policy. The purpose of the Policy is to enable employees to raise concerns regarding unacceptable improper practices and/ or any unethical practices in the organization without the knowledge of the Management. The Policy provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to Mr. Jinal D. Shah, Chairman of the Audit Committee, in appropriate or exceptional cases.</p>
6.	Policy on Prevention of Sexual Harassment at Workplace	<p>Your Company has in place, a Policy on Prevention of Sexual Harassment at Workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment and thereby encourages employees to work together without fear of sexual harassment, exploitation or intimidation.</p>
7.	Policy on Related Party Transactions	<p>This Policy regulates all transactions between the Company and its Related Parties.</p>
8.	Code of Conduct for the Board of Directors and Senior Management Personnel	<p>Your Company has in place, a Code of Conduct for the Board of Directors and Senior Management Personnel which reflects the legal and ethical values to which your Company is strongly committed. The Directors and Senior Management Personnel of your</p>

		Company have complied with the Code as mentioned hereinabove.
	Code of Conduct for Insider Trading	This Policy sets up an appropriate mechanism to curb Insider Trading in accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
	Policy on Criteria for determining Materiality of Events	This Policy applies to disclosures of material events affecting the Company. This Policy warrants disclosure to investors and has been framed in compliance with the requirements of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended from time to time.
	Policy for Maintenance And Preservation of Documents	The purpose of this Policy is to specify the type of documents and time period for preservation thereof based on the classification mentioned under Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy covers all business records of the Company, including written, printed and recorded matter and electronic forms of records.
	Archival Policy	This Policy is framed pursuant to the provisions of the Listing Regulations. As per this Policy, all such events or information which have been disclosed to the Stock Exchanges are required to be hosted on the website of the Company for a minimum period of 5(five) years and thereafter in terms of the Policy.
	Policy for Inquiry in case of Leak of Unpublished Price Sensitive Information (“UPSI”)	This Policy is framed by the Board of Directors in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The focus of the Company is to have a Policy in place to strengthen the Internal Control System and prevent Leak of Unpublished Price Sensitive Information (“UPSI”). This policy also aims to have a uniform code to curb unethical practices of sharing UPSI by insiders, employees and designated persons with any other person without a legitimate purpose.
	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“UPSI”)	The Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company’s securities and to maintain the uniformity, transparency and fairness in dealings with all

		stakeholders and ensure adherence to applicable laws and regulations.
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SECRETARIAL STANDARDS:

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

MANAGERIAL REMUNERATION:

The remuneration paid to Directors and Key Managerial Personnel of the Company during the Financial Year 2018-19 was in accordance with the Nomination and Remuneration Policy of the Company.

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been appended as “**ANNEXURE-D**” to this Report.

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.

ADDITIONAL INFORMATION:

The additional information required to be given under the Companies Act, 2013 and the Rules made thereunder, has been laid out in the Notes attached to and forming part of the Annual Accounts. The Notes to the Accounts referred to the Auditors’ Report are self-explanatory and therefore do not call for any further explanation.

The Consolidated Financial Statements of your Company form part of this Annual Report. Accordingly, this Annual Report of your Company does not contain the Financial Statements of its Subsidiary. The Audited Annual Accounts and related information of the Company’s subsidiary will be made available upon request.

These documents will also be available for inspection during all days except Saturdays, Sundays and public holidays from 10.00a.m. (IST) to 4.00 p.m. (IST) at the Company’s Registered Office.

The subsidiary companies’ Audited Accounts are also available on the Company’s website www.yashchemex.com

INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the Section 125 and other applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), all the unpaid or unclaimed dividends are required to be transferred to the IEPF established by the Central Government, upon completion of 7 (seven) years.

Further, according to the IEPF Rules, the shares in respect of which dividend has not been paid or claimed by the Shareholders for 7 (seven) consecutive years or more are also required to be transferred to the demat account created by the IEPF Authority.

Your Company does not have any unpaid or unclaimed dividend or shares relating thereto which is required to be transferred to the IEPF till the date of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Annual Report.

CAUTIONARY STATEMENT:

Statements in the Directors' Report and the Management Discussion and Analysis Report describing the Company's objectives, projections, expectations, estimates or forecasts maybe forward-looking within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied therein due to risks and uncertainties. Important factors that could influence the Company's operations, inter alia, include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic, political developments within the country and other factors such as litigations and industrial relations.

APPRECIATION:

Your Directors wish to place on record sincere appreciation for the support and co-operation received from various Central and State Government Departments, organizations and agencies. The Directors also gratefully acknowledge all stakeholders of your Company, viz., Shareholders, customers, dealers, vendors, banks and other business partners for excellent support received from them during the Financial Year under review. Your Directors also express their warm appreciation to all the employees of the Company for their unstinted commitment and continued contribution to the growth of the Company.

**For and on behalf of the Board of Directors
of Yash Chemex Limited**

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Date: May 28, 2019
Place: Ahmedabad

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	590.08
Reserves & surplus	701.55
Total assets	1573.97
Total Liabilities	252.88
Investments	NIL
Turnover	1856.63
Profit before taxation	93.75
Provision for taxation	29.23
Profit after taxation	64.52
Proposed Dividend	Nil
Extent of Shareholding (in Percentage)	50.87

For and on behalf of the Board

Pritesh Shah
 Managing Director
 DIN:00239665

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

Kiritkumar H. Shah
 Chief Financial Officer

Annexure B
Form No. MGT-9
Extract of Annual Return
As on Financial Year ended on 31st March 2019
[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	50.87%	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 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	4929292	0	4929292	48.12	5185924	0	5185924	50.62	2.5
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	4929292	0	4929292	48.12	5185924	0	5185924	50.62	2.5

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 (ii) Overseas	290740	0	0	2.84	139335	0	139335	1.36	(1.48)
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	511621	-	511621	4.99	790964	-	790964	7.72	2.73
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	4153319	-	4153319	40.55	3879976		3879976	37.88	(2.67)

c) Others									
i. Clearing Member	358453	-	358453	3.50	179569	-	179569	1.75	(1.75)
ii NRI					27006	-	27006	0.26	0.26
REPAT					650		650	0.01	0.01
NON REPAT					40001		40001	0.39	0.39
Sub-total(B)(2)	5314133	-	5314133	51.88	5121250	-	5121250	50.00	(1.88)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5314133		5314133	51.88	5121250		5121250	50.00	(1.88)
C. Shares held by Custodian for GDRs&ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	10243425		10243425	100	10243425		10243425	100	

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	1538754	15.02	-	1760004	17.18	-	2.16
2.	Yashwantbhai C. Shah	603850	5.90	-	603850	5.90	-	0
3.	Pritesh Y. Shah-HUF	948364	9.26	-	972496	9.49	-	0.23
4.	Yashwantbhai C. Shah-HUF	737942	7.20	-	749192	7.31	-	0.11
5.	Dimple P. Shah	780500	7.62	-	780500	7.62	-	0
6.	Chandrika Y. Shah	319882	3.12	-	319882	3.12	-	0
	Total	4929292	48.12	-	5185924	50.62	-	2.5

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	1538754	15.02	1538754	15.02
	Acquire from Open Market on 19.04.2018	3750	0.04	1542504	15.06
	Acquire from Open Market on 23.04.2018	3750	0.04	1546254	15.09
	Acquire from Open Market on 26.04.2018	3750	0.04	1550004	15.13
	Acquire from Open Market on 02.05.2018	11250	0.11	1561254	15.24
	Acquire from Open Market on 08.05.2018	1875	0.02	1563129	15.26
	Acquire from Open Market on 01.06.2018	37500	0.37	1600629	15.63
	Acquire from Open Market on 04.06.2018	15000	0.15	1615629	15.77
	Acquire from Open Market on 05.06.2018	1875	0.02	1617504	15.79
	Acquire from Open Market on 07.06.2018	5625	0.05	1623129	15.85
	Acquire from Open Market on 08.06.2018	1875	0.02	1625004	15.86
	Acquire from Open Market on 11.06.2018	16875	0.16	1641879	16.03
	Acquire from Open Market on 14.06.2018	5625	0.05	1647504	16.08
	Acquire from Open Market on 15.06.2018	3750	0.04	1651254	16.12
	Acquire from Open Market on 18.06.2018	3750	0.04	1655004	16.15
	Acquire from Open Market on 20.06.2018	41250	0.40	1696254	16.56
	Acquire from Open Market on 21.06.2018	5625	0.05	1701879	16.61
	Acquire from Open Market on 03.07.2018	13125	0.13	1715004	16.74
	Acquire from Open Market on 12.07.2018	1875	0.02	1716879	16.76
Acquire from Open Market on 16.07.2018	3750	0.04	1720629	16.80	
Acquire from Open Market on 20.07.2018	3750	0.04	1724379	16.83	
Acquire from Open Market on 30.07.2018	5625	0.06	1730004	16.89	
Acquire from Open Market on 06.08.2018	3750	0.04	1733754	16.93	
Acquire from Open Market on 09.08.2018	3750	0.04	1737504	16.96	
Acquire from Open Market on 29.08.2018	22500	0.22	1760004	17.18	
At the end of the Year	1760004	17.18			
2.	Yashwantlal C. Shah				
	At the beginning of the year	603850	5.90	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	948364	9.26	948364	9.26
	Acquire from Open Market on 08.05.18	1875	0.02	950239	9.28
	Acquire from Open Market on 01.06.18	9375	0.09	959614	9.37
	Acquire from Open Market on 13.06.18	1875	0.02	961489	9.39
	Acquire from Open Market on 18.06.18	1875	0.02	963364	9.40
	Acquire from Open Market on 20.06.18	3750	0.04	967114	9.44
	Acquire from Open Market on 03.07.18	1875	0.02	968989	9.46
	Acquire from Open Market on 30.07.18	3507	0.02	972496	9.49
At the end of the Year	972496	9.49	972496	9.49	

4.	Yashwant C. Shah- HUF				
	At the beginning of the year	737942	7.20	737943	7.20
	Transfer from pool account to beneficiary account	11250	0.11	749192	7.31
	At the end of the Year	749192	7.31	749192	7.31
5.	Dimple P. Shah				
	At the beginning of the year	780500	7.62	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	319882	3.13	319882	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	1053750	10.29	31/03/19	0	-	1053750	10.29
2.	Jay L. Patel	367500	3.59	27/04/18	(3750)	sale	363750	3.55
				01/06/18	(26250)	sale	337500	3.29
				15/06/18	(20625)	sale	316875	3.09
				22/06/18	(15000)	sale	301875	2.95
				29/06/18	(3750)	sale	298125	2.91
				06/07/18	(30000)	sale	268125	2.62
				13/07/18	(3750)	sale	264375	2.58
				20/07/18	(18750)	sale	245625	2.40
				27/07/18	(5625)	sale	240000	2.34
				03/08/18	(58125)	sale	181875	1.78
				24/08/18	(1875)	sale	180000	1.76
				14/09/18	(7300)	sale	172700	1.69
				12/10/18	(2)	sale	172698	1.69
				02/11/18	(8972)	sale	163726	1.60
				09/11/18	(4500)	sale	159226	1.55
				16/11/18	(4850)	sale	154376	1.51
				23/11/18	(5300)	sale	149076	1.46
				30/11/18	(10955)	sale	138121	1.35
				07/12/18	(11600)	sale	126521	1.24
				14/12/18	(3009)	sale	123512	1.21
				15/02/19	(67920)	sale	55592	0.54
				15/03/19	(55200)	sale	392	0.00

				29/03/19	(392)	sale	0	0.00
3.	Navinbhai G. Patel	131250	1.28	14/12/18	(2000)	sale	129250	1.26
4.	Rinaben B. Darji	117500	1.15	29/06/18	(117500)	Sale	0	0.00
				06/07/18	117500	Purchase	117500	1.15
				24/08/18	(5625)	Sale	111875	1.09
				31/08/18	(3750)	Sale	108125	1.06
				07/09/18	(1875)	Sale	106250	1.04
				21/09/18	(1875)	sale	104375	1.02
				23/11/18	(2200)	Sale	102175	1.00
				15/02/19	(1500)	sale	100675	0.98
				15/03/19	(1500)	sale	99175	0.97
5.	Kishorkumar V. Rakholiya	103750	1.01	18/05/18	(9375)	sale	94375	0.92
				15/03/19	(4000)	sale	90375	0.88
				22/03/19	(2950)	sale	87425	0.85
				29/03/19	(1250)	Sale	86175	0.84
6.	BP Equities Pvt. Ltd.	100875	0.98	06/04/18	(3750)	sale	97125	0.95
				20/04/18	3750	Purchase	100875	0.98
				27/04/18	(11250)	sale	89625	0.88
				04/05/18	(3750)	Sale	85875	0.84
				11/05/18	(3750)	Sale	82125	0.80
				25/05/18	(3600)	sale	78525	0.77
				01/06/18	31875	Purchase	110400	1.08
				08/06/18	(1875)	Sale	108525	1.06
				15/06/18	(7500)	sale	101025	0.99
				22/06/18	(11250)	sale	89775	0.88
				13/07/18	3750	Purchase	93525	0.91
				10/08/18	31875	Purchase	121000	1.18
				17/08/18	(650)	Sale	124750	1.22
				24/08/18	(1875)	sale	122875	1.20
				31/08/18	(1875)	sale	121000	1.18
				07/09/18	(1575)	Sale	119425	1.17
				14/09/18	(18020)	Sale	101405	0.99
				21/09/18	(1000)	Sale	100405	0.98
				05/10/18	2990	Purchase	103395	1.01
				12/10/18	14059	Purchase	117454	1.15
				19/10/18	1968	Purchase	119422	1.17
				26/10/18	(8958)	Sale	110464	1.08
				16/11/18	(510)	Sale	109954	1.07
				23/11/18	(700)	Sale	109254	1.07
				30/11/18	424	Purchase	109678	1.07
				07/12/18	(2075)	Sale	107603	1.05

				14/12/18	2881	Purchase	110484	1.08
				28/12/18	(13412)	Sale	97072	0.95
				15/02/19	10458	Purchase	107530	1.05
				22/02/19	57520	Purchase	165050	1.61
				27/02/19	25358	Purchase	190408	1.86
				01/03/19	(90)	Sale	190318	1.86
				08/03/19	(44711)	Sale	145607	1.42
				15/03/19	29349	Purchase	174956	1.71
				29/03/19	(74306)	sale	100650	0.98
7.	Bhavesh PareshbhaiDarji	95000	0.93	29/06/18	(95000)	Sale	0	0
				06/07/18	95000	Purchase	95000	0.93
				31/08/18	(1875)	Sale	93125	0.91
				14/09/18	(1875)	Sale	91250	0.89
				05/10/18	(1875)	Sale	89375	0.87
				15/02/19	(1500)	Sale	87875	0.86
				22/02/19	(1500)	Sale	86375	0.84
8.	Savitaben M. Patel	90000	0.88	31/03/19	-	-	90000	0.88
9.	Shaileshbhai K. Patel	82500	0.81	31/03/19			82500	0.81
10.	Vijaykumar K. Patel	82500	0.81	31/03/19			82500	0.81
11.	Sunitha Kumar Sheth	0	0	15/03/19	28062	Purchase	28062	0.27
				22/03/19	15873	Purchase	43845	0.43
				29/03/19	31991	Purchase	75836	0.74

V. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors & KMP	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	1538754	15.02	1538754	15.02
	Acquire from Open Market on 19.04.2018	3750	0.04	1542504	15.06
	Acquire from Open Market on 23.04.2018	3750	0.04	1546254	15.09
	Acquire from Open Market on 26.04.2018	3750	0.04	1550004	15.13
	Acquire from Open Market on 02.05.2018	11250	0.11	1561254	15.24
	Acquire from Open Market on 08.05.2018	1875	0.02	1563129	15.26
	Acquire from Open Market on 01.06.2018	37500	0.37	1600629	15.63
	Acquire from Open Market on 04.06.2018	15000	0.15	1615629	15.77
	Acquire from Open Market on 05.06.2018	1875	0.02	1617504	15.79
	Acquire from Open Market on 07.06.2018	5625	0.05	1623129	15.85
	Acquire from Open Market on 08.06.2018	1875	0.02	1625004	15.86
	Acquire from Open Market on 11.06.2018	16875	0.16	1641879	16.03

	Acquire from Open Market on 14.06.2018	5625	0.05	1647504	16.08
	Acquire from Open Market on 15.06.2018	3750	0.04	1651254	16.12
	Acquire from Open Market on 18.06.2018	3750	0.04	1655004	16.15
	Acquire from Open Market on 20.06.2018	41250	0.40	1696254	16.56
	Acquire from Open Market on 21.06.2018	5625	0.05	1701879	16.61
	Acquire from Open Market on 03.07.2018	13125	0.13	1715004	16.74
	Acquire from Open Market on 12.07.2018	1875	0.02	1716879	16.76
	Acquire from Open Market on 16.07.2018	3750	0.04	1720629	16.80
	Acquire from Open Market on 20.07.2018	3750	0.04	1724379	16.83
	Acquire from Open Market on 30.07.2018	5625	0.06	1730004	16.89
	Acquire from Open Market on 06.08.2018	3750	0.04	1733754	16.93
	Acquire from Open Market on 09.08.2018	3750	0.04	1737504	16.96
	Acquire from Open Market on 29.08.2018	22500	0.22	1760004	17.18
	At the end of the Year	1760004	17.18		
2.	Yashwantlal C. Shah				
	At the beginning of the year	603850	5.90	603850	5.90
	At the end of the Year	603850	5.90	603850	5.90
3.	Dimple P. Shah				
	At the beginning of the year	780500	7.62	780500	7.62
	At the end of the Year	780500	7.62	780500	7.62

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	1,76,32,683	17,67,417	-	1,94,00,100
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)	1,76,32,683	17,67,417	-	1,94,00,100
Change in Indebtedness during the financial year				
- Addition	83,55,46,732	1,36,437	-	83,56,83,169
- Reduction	(84,22,66,963)	(13,644)		(84,22,80,607)
Net Change	(67,20,231)	1,22,793	-	(65,97,438)
Indebtedness at the end of the financial year				
i) Principal Amount	1,09,12,452	18,90,210	-	1,28,02,662
ii) Interest due but not paid				
iii) Interest				

accrued but not due				
Total (i+ii+iii)	1,09,12,452	18,90,210	-	1,28,02,662

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	18,94,520	13,00,000	3194520
	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)	18,94,520	13,00,000	3194520
	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	37500	20000	-	57500
	Total(1)	37500	20000	-	57500
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-	-
	Total(2)	-	-	-	-
	Total (B)=(1+2)	37500	20000	-	57500
	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	234000	210000	444000
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify			
6.	Total	234000	210000	444000

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**

Place: Ahmedabad
Date: 28/05/2019

Name: Pritesh Y. Shah
Designation: Managing Director
DIN: 00239665

Annexure-C
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[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 (CIN: L74110GJ2006PLC048385)**(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, 2019 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.

I 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, 2019 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - (g) 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;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (j) Provisions of Reserve Bank of India Act, 1934 are specifically applicable to the Company. (Not applicable to the Company during the audit period)
- (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 labor laws.(Not applicable to the Company during the audit period).
- (vii) Environment Protection Act, 1986 and other environmental laws;
- (viii) Factories Act, 1948; - (Not applicable to the Company during the audit period)
- (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 to the Company during the audit period)
- (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

I further report that

I have also examined compliance with:

- the applicable clauses of Secretarial Standards in respect of - applicable clauses of Secretarial Standards with respect to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013.
- Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation, 2015 “SEBI (LODR)”.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent as mentioned below;

- i. The Company has not submitted 31st March, 2019 quarterly corporate governance report with the BSE under Regulation 27(2) of SEBI (LODR) Regulation 2015,
- ii. The company has not appointed an independent director in its unlisted material subsidiary (i.e Yasons Chemex Care Limited) till 31st March, 2019 under regulation 24(1) of SEBI (LODR) Regulation 2015.
- iii. The Company has not submitted Annual Secretarial Compliance report for the Financial Year 2018-19 with the BSE under Regulation 24A of SEBI (LODR) Regulation 2015.

I 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.

On verification of minutes, I have not found any dissent/disagreement on any of the agenda items discussed in the Board and Committee meetings from any of the Directors and all the decisions are carried through.

I 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.

Place: Ahmedabad
Dated: 28.05.19

For, YASHREE DIXIT & ASSOCIATES
Practicing Company Secretaries

Yashree Dixit
Proprietor
ACS-52508 COP-19206

[This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.]

ANNEXURE 1 TO SECRETARIAL AUDIT REPORT

To,
The Members,
Yash Chemex Limited,
Ahmedabad, Gujarat.

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

1. Maintenance of secretarial records 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. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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: Ahmedabad
Dated: 28.05.19

For, YASHREE DIXIT & ASSOCIATES
Practicing Company Secretaries

Yashree Dixit
Proprietor
ACS-52508 COP-19206

Annexure - D

STATEMENT OF PARTICULARS AS PER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Name of Director/ Key Managerial Personnel and Designation	Remuneration of Director / Key Managerial Personnel for the year ended March 31, 2019 (Rs. in lakhs)	% increase in the remuneratio n in the year ended March 31, 2019	Ratio in the remuneration of each Director to the median remuneration of the employees
1.	Mr. Yashwantlal C. Shah, Chairman	13.00	36.84%	6.37:1
2.	Mr. Pritesh Y. Shah, Managing Director	18.9452	35.32%	9.28:1
3.	Mr. Kiritkumar Shah, CFO	2.04	(32.00%)	1:1
4.	Ms. Aesha Mashru, Company Secretary	2.34	14.70%	1.15:1

1. Remuneration mentioned above is for full year.
For this purpose, sitting fees paid to the directors has not been considered as remuneration.
2. The median remuneration of employees of the Company during the year ended March 31, 2019 was Rs. 204000.
3. During the year ended March 31, 2019, there was an increase of in the median remuneration of employees is 14%
4. As on March 31, 2019, the Company had 13 permanent employees.
5. During the financial year 2018-19, there was an average increase in the salaries of employees other than the key managerial personnel. - NIL

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

REVIEW OF ECONOMY

India has become the fastest-growing major economy in the world according to the Central Statistics Organization (CSO) and International Monetary Fund (IMF). India is expected to be one of the most powerful economies of the world in a period of 10 to 15 years backed by its strong democracy and partnerships.

The Indian economy continued to grow strongly, as the economy recovered in the 2nd half post stabilization of the GST regime. India's GDP growth rate is expected to grow at 6.8% for financial year 2018-19 as compared to a growth rate of 7.2% in the previous financial year.

The Government of India has taken significant initiatives to strengthen the economic credentials of the country and make it one of the strongest economies in the world. Growth was supported by sectors such as construction, financial services, real estate and utility services. However, agriculture and mining grew at a much lower rate.

INDUSTRY TRENDS AND OUTLOOK

India's gross domestic product (GDP) is expected to keep growing at a rapid pace and achieve upper middle income status on the back of digitization, globalization, favorable demographics, and reforms. India has made progress on structural changes in the recent past. The corporate debt overhang and associated banking sector's credit-quality concerns have exerted a drag on investment in India. The massive bank recapitalization programme will improve the banking sector's ability to support growth.

INTERNAL CONTROLS

The company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations.

Internal Audit function plays a key role in providing to both the operating management and to the Audit Committee of the Board, an objective view and reassurance of the overall control systems and effectiveness of the Risk Management processes across the Company and its subsidiary. Internal Audit also assesses opportunities for improvement in business processes, systems and controls and provides recommendations designed to add value to the operations.

The Audit Committee meets on a quarterly basis to review and discuss effectiveness of the internal control system. The Audit Committee also meets the Statutory Auditors separately to ascertain their views on the adequacy and efficiency of the internal control systems.

Swot Analysis**Opportunities:-****Government Initiatives**

The chemicals industry of India contributes 2.1% towards the nation's gross domestic product (GDP) and accounts for 15.95% of India's manufacturing sector.

Chemicals industry occupies a pivotal position in meeting basic needs and improving quality of life. The industry is a key enabler for industrial and agricultural development of the country and provides building blocks for several downstream industries, such as textiles, papers, paints, varnishes, soaps, detergents, and pharmaceuticals. It is also among the most diversified industrial sectors and covers over 80,000 commercial products.

The government permits 100% foreign direct investment (FDI) in this sector under the automatic approval route. Manufacturing of most chemical products inter-alia covering organic/inorganic, dyestuff and pesticides is de-licensed. Factors such as boost to speciality and agrochemicals chemicals due to rapid development in construction and agricultural sector, inadequate per capita consumption and strong demand from paints, textiles and diversified manufacturing base shall aid towards the development of Indian chemicals sector, the same is expected to grow at around 9% per annum and touch US\$ 214 billion by 2019.

Government of India has launched several schemes and initiatives to encourage growth of the sector which include:

Petroleum, Chemical and Petrochemical Investment Region (PCPIR) scheme: concept of PCPIR is a cluster approach to promote petroleum, chemicals and petrochemical sectors in an integrated and environmental friendly manner on a large scale.

PCPIRs have already received investments worth US\$ 24.68 billion till now, these PCPIRs are expected to attract investment in the tune of US\$ 117.42 billion approximately.

PCPIRs are being developed in Andhra Pradesh, Gujarat, Odisha and Tamil Nadu and have already generated direct and indirect employment for 0.2 million people with total potential of 3.4 million.

THREATS**Lack of availability of skilled manpower:-**

Despite having a favourable demographic profile, labour and skill shortage continues to be one of the key concerns for the Indian chemical industry. The Government along with Industry bodies are putting their best foot forward to have education and vocational training institution arming the manpower with

Appropriate skill set.

Cheap Imports:-

Structural shifts in the Chinese market arising from over capacity coupled with weakening prices are threatening the Indian players. As China threat was partly getting managed through the anti dumping duty route, we now have Russian problem. Russia is a key producer of steel and as its currency has hit rock bottom, the Indian market can see cheap imports.

HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS:

The employee strength of the Company as on 31st March, 2019 was 13. The relations with the employees of the Company remained cordial and harmonious.

The Company encourages the employees to upgrade their knowledge and skills. The training sessions on various working parameters are conducted in routine apart from allowing employees for outside specialized training, wherever required.

ACCOUNTING TREATMENT:

Audited Financial Statements for the year ended 31st March, 2019 are in compliance with the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Companies Act, 2013.

CAUTIONARY STATEMENT:

Statements in “Management Discussion and Analysis” describing the Company’s objectives, projections, estimates, expectations or predictions are forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. The actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, finished goods prices, raw materials cost and availability, foreign exchange market movements, changes in Governmental regulations and tax structure, economic and political developments within India and the countries with which the Company has business.

Therefore, the Company assumes no responsibility in respect of forward looking statements herein which may undergo change in future on the basis of subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), the Directors of Yash Chemex Limited (“the Company” / “YCL”) have pleasure in presenting the Company's Report on Corporate Governance for the Financial Year (F.Y.) ended March 31, 2019.

1. Company's Philosophy on Code of Corporate Governance:

The Securities and Exchange Board of India (“SEBI”) has introduced a Code of Corporate Governance for a Listed Company, which is implemented through the Listing Regulations. Corporate Governance is a set of systems and practices to ensure that the affairs of a Company are being managed in a manner which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet the aspirations and expectations of the Stakeholders’ and the society as a whole. Corporate Governance refers to the framework of rules and practices by which the Company ensures ethical and integral relation with all its Stakeholders. Corporate Governance necessitates professionals to raise their competency and capability levels and upgrade systems and processes to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics.

Effective Corporate Governance practices and strong foundation of Yash Chemex Limited have been YCL’s hallmark which has an established reputation of honesty, integrity and sound governance since inception. Your Company is, therefore, committed to maintaining the highest standards of Corporate Governance in its conduct towards Shareholders, Employees, Regulators, Customers, Suppliers, Lenders and Other Stakeholders. The Company strongly believes that good Corporate Governance and fairness in actions, words and deeds will form the base of the Company’s Corporate Governance philosophy.

At YCL, we believe that Corporate Governance is a pre-requisite for meeting the needs and aspirations of the Stakeholders’. Corporate

Governance is journey which leads to corporate growth and long term gain in shareholders’ value. Your Company is the compliance with the requirements of Corporate Governance stipulated under the Listing Regulations.

2. Board of Directors:

a. Board Structure:

The Company has an active, well experienced and a well-informed Board with an optimum mix of Executive, Non-Executive and Independent Directors, which is headed by Mr. Yashwantlal C. Shah, Chairman. The Company has a right blend of Directors on the Board who possess the requisite qualifications, competence, expertise and practical knowledge in general Management, Finance, Human Resources, Compliances, Legal, Research and other allied activities connected to the area of operation of the Company which enables the Board to function smoothly.

The Board provides and evaluates the Company's strategic decisions, management policies and their effectiveness, which shapes the Corporate Governance practices of the Company and ensures that Shareholders' long-term interests are being served. Mr. Pritesh Y. Shah, Managing Director, is assisted by Senior Managerial Personnel in overseeing the functional matters of the Company.

The Board of Directors of your Company comprises of 6 (six) Directors as on March 31, 2019.

The composition of the Board of Directors is summarized below :-

Category	No. of Directors on Board as on March 31, 2019	No. of Directors as on the date of this Report
Chairman (Executive Director)	1	1
Managing Director (Executive Director)	1	1
Non-Executive, Non Independent Directors (Women Director)	1	1
Non-Executive, Independent Director	1	1
Non-Executive, Independent Directors (Women Directors)	2	2
Total	6	6

b. Board Training and Induction:

At the time of appointing a Director, a formal Letter of Appointment is given to him / her, which inter alia explains the role, function, duties and responsibilities of a Director of the Company. The Director is also explained in detail the compliances required from him / her under the Companies Act, 2013 and the Listing Regulations and other relevant Regulations and his / her affirmation is taken with respect to the same.

c. Familiarization Programmes for Independent Directors:

The Directors are provided with the requisite documents and reports to enable them to familiarize with the Company's performance and practices. Periodic presentations are made at the Meetings of the Board and Committees thereof, on the business and performance of the Company. Quarterly updates on relevant statutory changes covering important applicable laws are discussed at the Meetings of the Board.

The details of familiarization programme for Independent Directors have been disclosed on the Company's website at the www.yashchemex.com

d. Board Procedure and Meetings:

The Board, inter alia, focuses on Strategic Planning, Risk Management, Compliance, Corporate Governance to maintain high standards of ethical conduct and integrity and succession planning for the Directors.

The Board of Directors meets at regular intervals to discuss and decide on business strategies/policies and reviews the financial and operational performance of the Company and its Subsidiary.

The Agenda for the Meetings of the Board and its Committees are circulated in advance as per the provisions of the Companies Act, 2013 and the Rules framed thereunder and Secretarial Standard – 1 (SS-1) on “Board Meetings” issued by the Institute of Company Secretaries of India (ICSI) to the Directors to ensure that sufficient time is provided to Directors to prepare for the Meetings. The Board meets at least once in a quarter to, inter alia, review, approve and take note of quarterly Standalone and Consolidated Financial Results of the Company, various Compliance Report(s) under the applicable laws, major legal issues, regulatory developments, Minutes of the Meeting(s) of the Board and its Committees and those of its Subsidiary Companies, significant transactions entered into with Related Parties and note compliances with other law(s) as applicable to the Company and the Listing Regulations.

The Board has unrestricted access to all the Company-related information which includes information mentioned under Regulation 17 read with Schedule II(A) of the Listing Regulations.

In the path of digitization and with a view to ensure its commitment to “Go-Green” Initiative of the Government and the Yash Chemex Limited, respectively, the Company has started circulating to its Directors, Agenda, Notices and other relevant notes & documents for the Board/Committee Meetings through an electronic platform thereby ensuring high standards of security and confidentiality of Board Meeting related documents.

The Company adheres to the provisions of the Companies Act, 2013 read with the Rules framed thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the Meetings of the Board of Directors and its Committees.

The Company Secretary attends all the Meetings of the Board and its Committees and is, inter alia, responsible for recording the Minutes of such Meetings. The draft Minutes of the Meetings of the Board and its Committees are sent to the Members for their comments in accordance with the Secretarial Standards and then, the Minutes are entered in the Minutes Book within 30 (thirty) days of the conclusion of the Meetings, subsequent to incorporation of the comments, if any, received from the Directors.

The Meetings of the Board of Directors and its Committees are generally held at the Registered Office of the Company at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015.

During the Financial Year (F.Y.) 2018-19, 15 (Fifteen) Board Meetings were held i.e., on May 09, 2018, May 29, 2018, June 02, 2018, June 07, 2018, June 26, 2018, June 30, 2018, July 19, 2018, July 21, 2018, August 30, 2018, September 05, 2018, December 10, 2018, December 26, 2018, January 24, 2019, February 14, 2019 and March 05, 2019 and the maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (One Hundred and Twenty) days. The necessary quorum was present for all the Meetings.

The details of composition of the Board, Directors’ attendance at the Board Meetings and at the last Annual General Meeting (“AGM”), are given hereunder:-

Sr. No.	Name of the Director	Category of Director	Inter-se Relationship amongst Directors	Appointment / Cessation during the Financial Year 2018-19	No. of Board Meetings attended during the Financial Year 2018-19	Whether attended last AGM held on September 29, 2018 (Present / Absent)	Directorships held in other public Companies incorporated in India as on March 31, 2019	Number of Chairmanship/ Membership in Board Committees in other companies as on March 31, 2019	
								Chairmanship (excluding Membership of Committees)	Membership
1.	Mr. Yashwantlal C. Shah (Chairman) (DIN:01002342)	Promoter, Executive, Non-Independent	1.Father of Mr. Pritesh Y. Shah 2.Father in Law of Mrs. Dimple P. Shah	Reappointed as Whole time Director liable to retire by rotation with effect from September 03, 2019	15/15	Yes	Nil	Nil	Nil
2.	Mr. Pritesh Y. Shah	Promoter, Non-	1.Son of Mr. Yashwantlal	Reappointed as	15/15	Yes	1	Nil	Nil

		Executive, Non-Independent	C. Shah 2. Husband of Mrs. Dimple P. Shah	Managing Director liable to retire by rotation with effect from March 15, 2019					
3.	Mr. Raj V. Shah	Promoter, Non-Executive, Non-Independent	1. Nephew of Mr. Pritesh Y. Shah	Resigned from Directorship with effect from July 07, 2018	6/6	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4.	Mr. Jinal D. Shah (DIN:07467703)	Non-Executive, Independent	-	-	3/15	Yes	Nil	Nil	Nil
5.	Ms. Angee R. Shah (DIN:07486980)	Non-Executive, Independent	-	-	1/15	No	2	Nil	Nil
6.	Ms. Vrusha A. Patel (DIN:07772669)	Non-Executive, Independent	-	-	12/15	Yes	1	Nil	Nil

7.	Mrs. Dimple P. Shah	Executive, Non-Independent	1. Wife of Mr. Pritesh Y. Shah 2. Daughter in law of Mr. Yashwantlal C. Shah	Appointed as an Additional Director with effect from July 19, 2018	8/8	No	1	Nil	Nil
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Details of Directorship of Directors in other Listed Entities and the category of their Directorship as on March 31, 2019:

Sr. No.	Name of Director	Name of Listed Entity where Directorship is held	Category of Directorship
1.	Mr. Pritesh Y. Shah	-	-
2.	Mr. Yashwantlal C. Shah	-	-
3.	Mrs. Dimple P. Shah	-	-
4.	Ms. Vrusha A. Patel	Mahickra Chemicals Limited	Independent Director
5.	Ms. Angee R. Shah	-	-
6.	Mr. Jinal D. Shah	-	-

Note:

1. None of the Directors of the Company as mentioned above is:
 - a. a Director in more than 10 (ten) Public Limited Companies - As per Section 165 of the Companies Act, 2013;
 - b. a Director in more than 8 (eight) Listed Companies- As per Regulation 17(A) of the Listing Regulations
 - c. an Independent Director in more than 7 (seven) Listed Companies or 3 (three) Listed Companies (in case he / she serves as a Whole Time Director in any listed Company - As per Regulation 17 of the Listing Regulations;
 - d. a Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees across all the Indian Public Limited Companies in which he / she is a Director - As per Regulation 26 of the Listing Regulations.

- f. Number of Equity Shares held by the Directors of the Company and the Dividend paid to them during the Financial Year 2018-19:-

Sr. No.	Name of Director	Shares held as on March 31, 2019	Dividend paid during the Financial Year 2018-19 (in Rs.)
1.	Mr. Pritesh Y. Shah	17,60,004	Nil
2.	Mr. Yashwantlal C. Shah	6,03,850	Nil
3.	Mrs. Dimple P. Shah (Appointed w.e.f July 19, 2018)	7,80,500	Nil
4.	Mr. Raj V. Shah (Resigned w.e.f July 07, 2018)	Nil	480
5.	Mr. Jinal D. Shah	Nil	Nil
6.	Ms. Angee R. Shah	Nil	Nil
7.	Ms. Vrusha A. Patel	Nil	Nil

g. Directors seeking Appointment / Re-appointment:

Mrs. Dimple P. Shah Executive Director of the Company is liable to retire by rotation at the ensuing 13th (Thirteen) AGM of your Company and being eligible, have offered herself for re-appointment.

Mrs. Dimple P. Shah is the Director of Yasons Chemex Care Limited. She has a Bachelor's degree in Commerce from Gujarat University.

Upon recommendation by the Nomination and Remuneration Committee and as approved by Board of Directors at their respective Meetings held on February 23, 2019 and March 05, 2019, Mr. Pritesh Y. Shah has been appointed as a Managing Director of the Company for a period from March 15, 2019 upto March 14, 2022, subject to approval of the Members of the Company at the ensuing 13th (Thirteen) Annual General Meeting.

Upon recommendation by the Nomination and Remuneration Committee and as approved by Board of Directors at their respective Meetings held on May 28, 2019, Mr. Yashwantlal C. Shah has been appointed as a Whole Time Director of the Company for a period from September 03, 2019 upto September 02, 2022, subject to approval of the Members of the Company at the ensuing 13th (Thirteen) Annual General Meeting.

3. Committees of the Board of Directors– Composition and Terms of Reference:

a. Composition of the Committees:

The composition of various Committees constituted by the Board of Directors during the Financial Year 2018-19 is summarized below:-

Name of the Director	Independent / Non-Independent	Position in the Committee (whether Chairman/ Member)		
		Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee

Mr. Jinal D. Shah	Independent Director	Chairman	Chairman	Chairman
Ms. Angee R. Shah	Independent Director	Member	Member	Member
Ms. Vrusha A. Patel	Independent Director	Member	Member	Member
Mr. Pritesh Y. Shah	Non-Independent Director	Member	Member	Member

b. Attendance details of Committee Meetings of Board of Directors during the Financial Year 2018-19 is summarized below:

Name of the Committee	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee
Number of Meetings held	5	2	4
Attendance of Directors			
Mr. Jinal D. Shah	5/5	2/2	4/4
Ms. Angee R. Shah	5/5	2/2	4/4
Ms. Vrusha A. Patel	5/5	2/2	4/4
Mr. Pritesh Y. Shah	3/5	N.A.	N.A.

Note

N.A. indicates not a Member of the Committee

c. Skills Matrix for the Board of Directors:

At YCL, we recognize the importance of having a Board comprising of Directors who have a range of experiences, capabilities and diverse point of view which helps in creating an effective and well rounded Board.

The list of Core skills/expertise/capabilities for the Board Members outlined by the Nomination and Remuneration Committee of the Board of Directors and approved by the Board are as under:

- **Strategy & Business-** Is or has been the Director or held any other leadership position in an organization leading to significant experience in strategy or business management; Brings ability to identify and assess strategic opportunities and threats in the context of the business.
- **Industry Expertise-** Has expertise with respect to the sector in which the organization operates in; Has an understanding of the 'bigpicture' in the given industry and recognizes the development of industry segments, trends, emerging issues and opportunities.
- **Market Expertise-** Has expertise with respect to the geography in which the organization operates in; Understands the macro economic environment, the nuances of the business, consumers and trade in the geography, and has the knowledge of the regulations& legislations of the market/(s) the business operates in.

- **Technology Perspective**– Has expertise with respect to business specific technologies such as in the field of R&D,; Has experience and adds perspective on the future ready skills required by the organization such as E-Commerce, Digital, Sustainability, etc.
- **People & Talent Understanding**- Has experience in Human Resource Management such that they bring in a considered approach to the effective management of people in an organization.
- **Governance, Finance & Risk**- Has an understanding of the law and application of Corporate Governance principles in a commercial enterprise of similar scale. Capability to provide inputs for Strategic Financial Planning, Assess Financial Statements and oversee budgets for the efficient use of resources. Ability to identify key risks for the business in a wide range of areas including legal and regulatory.
- **Diversity of Perspective**- Provides a diversity of views to the Board that is valuable to manage our Customer, Consumer, Employee, Key Stakeholder or Shareholders.

d. **Composition and Terms of Reference of the Committees:**

i. **Audit Committee:**

In terms of Regulation 18 of the Listing Regulations and Section 177 of the Act, the Audit Committee of the Board of Directors, as on March 31, 2019, comprised of the following 4 (Four) Directors as Members:

Sr. No.	Name of Director(s)	Nature of Membership & Designation
1.	Mr. Jinal D. Shah	Chairman (Independent Director)
2.	Ms. Angee R. Shah	Member (Independent Director)
3.	Ms. Vrusha A. Patel	Member (Independent Director)
4.	Mr. Pritesh Y. Shah	Member (Executive, Non Independent Director)

All the Members of the Audit Committee are financially literate and possess sound knowledge of Financial Management, Accounting Practices and Internal Controls.

Ms. Aesha Mashru, Company Secretary & Compliance Officer, is the Secretary to the Audit Committee.

The terms of reference of Audit Committee include the matters specified in Section 177 of the Companies Act, 2013 as well as the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, are as follows:

4. Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
5. Recommendation of the appointment, remuneration and terms of appointment of Statutory Auditors and Secretarial Auditors, of the Company;
6. Approval of payment to Statutory Auditors, including Secretarial Auditors, for any other services rendered by them;
7. Reviewing, with the Management, the Annual Financial Statements and Auditors’ Report thereon before submission to the Board for its approval, with particular reference to:

- I. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause(c)of sub-section (3) of Section 134 of the Companies Act, 2013;
 - II. Changes, if any, in accounting policies and practices and reasons for the same;
 - III. Major accounting entries involving estimates based on the exercise of judgment by management;
 - IV. Significant adjustments made in the Financial Statements arising out of audit findings;
 - V. Compliance with listing and other legal requirements relating to Financial Statements ;
 - VI. Disclosure of any related party transactions;
 - VII. Modified opinion(s) in the draft audit report.
8. Reviewing, with the Management, the quarterly Financial Statements before submission to the Board for approval;
 9. Reviewing, with the Management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 10. Reviewing and monitoring the Auditor's independence and performance and effectiveness of audit process;
 11. Approval or any subsequent modification of transactions with Related Parties of the Company;
 12. Scrutiny of Inter-Corporate Loans and Investments;
 13. Considering valuation of undertakings or assets of the Company, wherever it is necessary;
 14. Evaluation of Internal Financial Controls and Risk Management Systems;
 - 12a. Reviewing, with the Management, performance of Statutory Auditors, Internal Auditors and Secretarial Auditors;
 - 12b. Reviewing with the Management adequacy of the Internal Control Systems;
 13. Reviewing the adequacy of internal audit function, if any including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with Internal Auditors of any significant findings and follow up thereon;
 15. Reviewing the findings of any internal investigations by the Internal Auditors into the matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board;
 16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
 17. Looking into the reasons for substantial defaults, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors;
 18. Reviewing the functioning of the Whistle Blower Mechanism / oversee the Vigil Mechanism;
 19. Approval of appointment of Chief Financial Officer after assessing qualifications, experience and background etc. of the candidate;
 20. Mandatorily reviewing the following:
 - I. Management Discussion and Analysis of financial condition and results of operations.

- II. Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by Management.
 - III. Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
 - IV. Internal Audit reports relating to internal control weaknesses.
 - V. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
 - VI. Statement of deviations:
 1. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchanges(s) in terms of Regulation 32(1) of SEBI Listing Regulations.
 2. annual statement of funds utilized for purpose other than those stated in the offer document/prospectus in terms of Regulation 32(7) of SEBI Listing Regulations;
21. Reviewing Financial Statements, in particular the investments made by the Company's unlisted subsidiaries;
 22. Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time, at least once in a Financial Year and shall verify that the systems for Internal Controls are adequate and are operating effectively;
 23. Noting the report of Compliance Officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015;
 24. Formulating the scope, functioning, periodicity of and methodology for conducting the internal audit;
 25. Reviewing show cause, demand, prosecution notices and penalty notices, which are materially important;
 26. Reviewing any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
 27. Reviewing any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company;
 28. Details of any Joint Venture or collaboration agreement;
 29. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
 30. Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material;
 31. Reviewing the utilization of loans and / or advances from / investment by the holding Company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
 32. Investigation into any above matter or referred to it by the Board of Directors and for this purpose, it to have full access to information contained in the records of the Company and external professional advice, if necessary;
 33. Carrying out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable."

Further, the Quorum for a Meeting of the Audit Committee shall either be 2 (two) Members or 1/3rd (One Third) of the total strength of the Committee, whichever is greater, with at least 2 (two) Independent Directors in attendance and the Audit Committee shall meet at least 4 (Four) times in a year and not more than 120 (One Hundred and Twenty) days shall elapse between two Meetings.

During the Financial Year (F.Y.) 2018-19, there were 5 (Five) Meetings of the Audit Committee of the Board of Directors, i.e., on May07, 2018, May29, 2018, September 04, 2018, December10, 2018 and February 14, 2019. The necessary quorum was present for all the Meetings of the Audit Committee of the Board of Directors.

ii. Nomination and Remuneration Committee:

a. Composition:

In terms of Regulation 19 of the Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee, as on March 31, 2019, comprised of the following 3 (three) Directors as Members:

Sr. No.	Name of Director(s)	Nature of Membership & Designation
1.	Mr. Jinal D. Shah	Chairman (Independent Director)
2.	Ms. Angee R. Shah	Member (Non-Executive, Independent Director)
3.	Ms. Vrusha A. Patel	Member (Non-Executive, Independent Director)

Ms. Aesha Mashru, Company Secretary & Compliance Officer, is the Secretary to the Nomination and Remuneration Committee.

b. Terms of Reference:

The terms of reference of Nomination and Remuneration Committee have been re-stated as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The terms of reference of the Nomination and Remuneration Committee are as follows:-

- a. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the appointment and remuneration in whatever form payable to the Directors, Key Managerial Personnel and other Senior Management employees;
- b. To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors in accordance with the Nomination and Remuneration Policy;
- c. To devise a policy on diversity of Board of Directors;
- d. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and or removal;
- e. To consider extension or continuation of the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;
- f. To specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- g. To recommend to the Board of Directors, qualifications, appointment, remuneration (in whatever form) and removal of directors, key managerial personnel and persons in senior management positions in accordance with the Nomination and Remuneration Policy;

- h. To make necessary recommendation(s) to the Board of Directors for amendment / revision of the Nomination and Remuneration Policy of the Company from time to time, as it may deem fit;
- i. To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.

The composition of the Nomination and Remuneration Committee shall be as mentioned hereinbelow or as may be prescribed by the Companies Act and the Listing Regulations. The Chairman of the Nomination and Remuneration Committee shall be an Independent Director and shall be present at Annual General Meeting.

The Quorum for the Meeting of the Nomination and Remuneration Committee shall either be 2 (two) Members or 1/3rd (one third) of the total strength of the Committee, whichever is higher (including at least one Independent Director in attendance) and the Nomination and Remuneration Committee shall meet at least once in a year.

During the Financial Year (F.Y.) 2018-19, there were 2 (two) Meetings of the Nomination and Remuneration Committee of the Board of Directors were held i.e., on May 29, 2018 and July 07, 2018. The necessary Quorum was present for all the Meetings of the Nomination and Remuneration of the Board of Directors held during the Financial Year 2018-19.

c. Performance Evaluation Criteria for Independent Directors:

Performance evaluation of Directors is carried out through a structured questionnaire which was prepared after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The evaluation of Independent Directors shall be done by the entire Board of Directors which shall include –

- a. Performance of the Directors; and
- b. Fulfillment of the independence criteria as specified in this Terms of Reference and their Independence from the management:
Provided that in the above evaluation, the Directors who are subject to evaluation shall not participate.

In particular, an Independent Director shall be a person who shall:

- I. uphold ethical standards of integrity and probity;
- II. act objectively and constructively while exercising his duties;
- III. exercise his responsibilities in a bona fide manner in the interest of the Company;
- IV. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- V. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board of Directors in its decision making;
- VI. not abuse his position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- VII. refrain from any action that would lead to loss of his independence;

- VIII. where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
- IX. assist the Company in implementing the best Corporate Governance practices.

d. Remuneration to Directors:

- **Directors with Material Significant Related Party Transactions, pecuniary or business relationship with the Company:**

Except drawing remuneration by Managing Director, receipt of Sitting Fees by other Directors for attending the Board / Committee Meetings, none of the Directors have any other Material Significant Related Party Transactions, pecuniary or business relationship with the Company. Attention of the Shareholders is drawn to the disclosures of transactions with related parties set out in Note No. 45 to the Standalone Financial Statements forming part of this Annual Report 2018-19.

- **Remuneration of the Non-Executive Directors:**

1. Remuneration / Commission:

The remuneration / commission shall be in accordance with the statutory provisions of the Act and the Rules made thereunder for the time being in force.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the applicable law from time to time.

3. Limit of Remuneration / Commission:

Remuneration/ Commission may be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 1% of the Net Profits of the Company computed as per the applicable provisions of the Act.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

The details of Sitting Fees & Commission paid to Non-Executive Directors during the Financial Year 2018-19 are as follows:-

Sr. No.	Name of Non-executive Director	Sitting Fees (in Rs.)		Total (in Rs.)
		For Board Meetings	For Committee Meeting	
1.	Mr. Jinal D. Shah	Nil	Nil	Nil
2.	Ms. Angee R. Shah	18750	18750	37500
3.	Ms. Vrusha A. Patel	10,000	10,000	20,000

- **Remuneration of the Executive Director:**

Attention of the Shareholders is drawn to the disclosures of remuneration mentioned in the Notice of Meeting and Explanatory Statements thereto forming part of this Annual Report 2018-19.

- **Policy for Selection and Appointment of Directors and their Remuneration:**

The Nomination and Remuneration Committee has adopted a Policy which, inter alia, deals with the manner of selection /appointment of Directors on the Board of Directors, including Managing Director and Whole Time Director, if any, and their remuneration.

The Nomination & Remuneration Committee evaluates the candidature of prospective in line with the Nomination and Remuneration Policy and the skill sets stated above and makes suitable recommendation to the Board for final approval.

The Nomination and Remuneration Policy of the Company has been uploaded and can be accessed on the Company's website at www.yashchemex.com.

iii. Stakeholders' Relationship Committee:

In terms of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act, the Stakeholders' Relationship Committee, as on March 31, 2019, comprised of the following 3 (three) Directors as Members:

Sr. No.	Name of Director(s)	Nature of Membership & Designation
1.	Mr. Jinal D. Shah	Chairman (Independent Director)
2.	Ms. Angee R. Shah	Member (Non-Executive, Independent Director)
3.	Ms. Vrusha A. Patel	Member (Non-Executive, Independent Director)

The terms of reference of Stakeholders' Relationship Committee of the Board of Directors to include the amendments of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The functioning and the terms of reference of the Committee are as prescribed and in due compliance with Regulation 20 read with Part D of Schedule II to the Listing Regulations and Section 178 of the Companies Act, 2013.

The terms of reference of the Stakeholders’ Relationship Committee are as follows:-

- a. To oversee and review all matters connected with transfer of Company’s securities;
- b. To approve issue of duplicate of shares / debentures certificates;
- c. To oversee the performance of the Company’s Share Transfer Agent;
- d. To resolve the grievances of the Security Holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- e. To investigate into complaints relating to allotment of shares, approval of transfers or transmission of shares, debentures or any other securities;
- f. To review the measures taken for effective exercise of voting rights by Shareholders;
- g. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Share Transfer Agent and recommend methods to upgrade the service standards adopted by the Company;
- h. To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the security holders of the Company;
- i. To investigate into complaints relating to allotment on Shares, approval of Transfer or Transmission of Shares, Debentures or any other securities;
- j. To specifically look into various aspects of Shareholders, Debenture Holders and other Security Holders;
- k. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.”

The Stakeholders’ Relationship Committee shall comprise of at least 3 (three) Directors, at least one being Independent Director or the composition shall be as may be prescribed by the Companies Act and the SEBI Listing Regulations. The Chairman of the Stakeholders’ Relationship Committee shall be an Independent Director and shall be present at every Annual General Meeting of the Company.

The Stakeholders’ Relationship Committee shall meet at least once in a year.

During the Financial Year (F.Y.) 2018-19, there were 4 (two) Meetings of the Stakeholders’ Relationship Committee of the Board of Directors were held i.e., on April 07, 2018, July 10, 2018, October 08, 2018 and January 09, 2019. The necessary Quorum was present for all the Meetings of the Nomination and Remuneration of the Board of Directors held during the Financial Year 2018-19.

Name and Designation of Compliance Officer:

Ms. Aesha Mashru is the Company Secretary & Compliance Officer of the Company.

Details of Investor Complaints received during the Financial Year 2018-19, are as follows:

Complaints outstanding as on April 1, 2018	Nil
Complaints received during the year ended March 31, 2019	Nil
Complaints resolved during the year ended March 31, 2019	Nil
Complaints outstanding as on March 31, 2019	Nil

iv. Meeting of Independent Directors:

Pursuant to Schedule IV of the Companies Act, 2013 & Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, one-half of the composition of the Board of Directors consists of Independent Directors.

During the year under review, the Independent Directors met on March 07, 2018, inter alia, to discuss: -

- a. Evaluation of performance of Non - Independent Directors and the Board of Directors as a whole;
- b. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non - Executive Directors;
- c. Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and are Independent from the Management. The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 read with the Rules made thereunder.

1. General Body Meetings:
i. Details of last three Annual General Meetings:

The date, time and venue of Annual General Meetings (AGMs) held during the preceding 3 (three) Financial Years are as follows:

AGM for the Financial Year	Date	Time	Venue
2015-16 (10 th AGM)	September 30, 2016	11:00 a.m.	411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015
2016-17 (11 th AGM)	September 28, 2017	03:15 p.m.	411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015
2017-18 (12 th AGM)	September 29, 2018	02:00 p.m.	411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015

ii. Details of Special Resolutions passed during the previous three Financial Years (i.e., 2016-17, 2017-18 and 2018-19):

a. Special Resolutions passed in Annual General Meetings (AGMs):

Date of AGM	Details of Special Resolution passed
September 30, 2016	- Change in Designation of Mr. Yashwantlal C. Shah from Director to Whole time Director:
September 28, 2017	-
September 29, 2018	-

b. Special Resolutions passed at the Extra-ordinary General Meetings (EGMs):

Date of EGM	Number of Special Resolutions passed	Details of Special Resolution passed
April 04, 2016	4	- Authority for IPO - Authority for Investment: - Borrowing Limits - Creation of Charge
April 11, 2018	1	- Alteration of Objects Clause in the Memorandum of Association of the Company

c. Special Resolutions passed by Postal Ballot:

During the Financial Year (F.Y) 2018-19, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules 2014, Special Resolutions were passed by Shareholders through Postal Ballot.

The Notice of Postal Ballot was mailed to all the Shareholders along with postage prepaid envelopes. E-voting facility was also offered to eligible Shareholders to enable them to cast their votes electronically.

Ms. Yashree Dixit, Practicing Company Secretary, was appointed as Scrutinizer for the Postal Ballot, who submitted her report to Mr. Yashwantlal C. Shah, Whole time Director and Chairman. The details of the Postal Ballot results are given below:-

Date of announcement of result	Nature of resolution	Item	Postal Ballot form with assent	E-voting	Total
August 07,2018	Special Resolution	Migration from BSE SME Platform to BSE Main Board	2056500	1021877	3078377

Procedure adopted for Postal Ballot:

1. The Board at its Meeting approves the items to be passed through Postal Ballot and authorizes one of the functional Directors and the Company Secretary to be responsible for the entire process of Postal Ballot.
2. A professional such as a Company Secretary, who is not in employment of the Company, is appointed as the Scrutinizer for the Postal Ballot Process.

3. Notice of Postal Ballot along with the ballot papers were sent to the Shareholders along with a self-addressed envelope addressed to the Scrutinizer. E-voting facility was also offered to eligible Shareholders to enable them to cast their votes electronically.
4. The duly completed Postal Ballot papers were received by the Scrutinizer.
5. The Scrutinizer had given his report to the Chairman.
6. The Chairman announced the results of the Postal Ballot on receipt of the Scrutinizer's Report.
7. The results were intimated to the Stock Exchanges and were hosted on your Company's website.

5. Means of Communication:

All vital information relating to the Company and its performance, including Quarterly and Annual Financial Results, disclosures of material events are posted on the website of the Company, viz., www.yashchemex.com. The Quarterly Financial Results of the Company's performance are published in leading English newspapers 'Free Press Gujarat' and 'Lokmitra' Gujarati Newspaper. The Financial Results of the Company are also available on the websites of BSE Limited viz., www.bseindia.com.

The Company files electronically the Quarterly and Annual Financial Results, Corporate Governance Report, Shareholding Pattern, etc. Through BSE Listing Centre.

6. Disclosures:

I. Material Significant Related Party Transactions:

All transactions entered into with Related Parties as defined under the Act and the Listing Regulations during the Financial Year (F.Y.) 2018-19 were in the ordinary course of business and on the basis of arm's length price. There were no material significant transactions with Related Parties during the Financial Year 2018-19 which were in conflict with the interest of the Company.

In preparation of the Financial Statements for the Financial Year (F.Y.) 2018-19, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Act, read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. Suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements. Attention of the Shareholders is drawn to the disclosure of transactions with Related Parties as set out for the Financial Year (F.Y.) 2018-19 in Note No. 45 of the Standalone Financial Statement, forming a part of the Annual Report. None of the transactions with any of the Related Parties were in conflict with the Company's interest.

The Policy on Related Party Transactions is available on the website of the Company at the weblink viz., www.yashchemex.com

There were no materially significant Related Party Transactions that may have potential conflict with the interests of the Company at large.

Except for drawing remuneration by the Managing Director and payment of sitting fees to Non-Executive Directors, none of the Directors have any other material significant Related Party Transactions, pecuniary or business relationship with the Company.

II. Policy on Material Subsidiaries:

Yasons Chemex Care Limited, is a Material Subsidiary of your Company whose turnover or net worth (i.e. Paid-up capital and free reserves) exceeds 20% (twenty per cent) of the consolidated turnover or net worth respectively of the Company and its subsidiary in the immediate preceding accounting year. The Audited Annual Financial Statements of Subsidiary Company is tabled at the Meeting of the Board of Directors of the Company held on May 28, 2019. Copies of the Minutes of the Board Meetings of Subsidiary Companies are circulated at the subsequent Board Meetings. Your Company has formulated a Policy for determining the Material Subsidiaries as defined in Regulation 16 of the Listing Regulations. The Audit Committee reviews the Financial Statements including major investments made in Material Unlisted subsidiary of the Company.

The Management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of your Company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.

This Policy on Material Subsidiaries is available on the website of the Company at the weblink viz., www.yashchemex.com

III. Vigil Mechanism and Whistle Blower Policy:

Your Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal, unethical behaviour and actual or suspected fraud or violations of Company's Code of Conduct. The Company has a Whistle Blower Policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to the Whistle Blowing Officer of the Company. No personnel /employee of the Company has been denied access to the Chairman of the Audit Committee of the Company. The confidentiality of the reported violations, if any, is maintained and the employees reporting violations are not subjected to any discriminatory practice.

Vigil Mechanism / Whistle Blower Policy is posted on the website of your Company, viz., www.yashchemex.com.

IV. Details of Compliance with Mandatory Requirements and Adoption of Non-Mandatory Requirements:

The Company complies with all the mandatory requirements of Company law, Securities law & other applicable laws and has also adopted some of the non-mandatory requirements and has complied with the following non - mandatory requirements:-

1. Separate Positions of Chairman and Managing Director:

The Company has separate positions for Chairman and Managing Director. Mr. Yashwantlal C. Shah (Executive / Non-Independent) is the "Chairman" of the Company and Mr. Pritesh Y. Shah (Executive / Non-Independent) is the "Managing Director" of the Company.

V. Policy for Prevention of Sexual Harassment at the Workplace:

Your Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited. Your Company has formed an Internal Complaints Committee pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal)

Act, 2013 (“the said Act”). While the said Act is applicable only to the women employees, your Company’s policy covers all the employees.

The details of complaints received during the Financial Year ended March 31, 2019 are as follows:

- a. Number of complaints filed during the Financial Year – Nil
- b. Number of complaints pending as on end of the Financial Year- Nil

VI. Details of Non-compliance on matters related to Capital Markets:

There has not been any non-compliance by the Company and no penalties or strictures were imposed on your Company by any of the Stock Exchange(s) or the Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last 3 (three) Financial Year.

VII. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

During the Financial Year (F.Y.) 2018-19, the Company has not raised funds through any kind of issue (public issue, rights issue, preferential issue, etc.).

VIII. Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority:

Certificate issued by Yashree Dixit & Associates, Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority is annexed to this Corporate Governance Report.

IX. Disclosure about instances where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant Financial Year:

During the Financial Year (F.Y.) 2018-19, there were no instances reported / recorded, where the Board of Directors of the Company did not accept recommendations of any of its Committees.

X. Risk Management:

Your Company continuously monitors business and operational risks. All key functions and divisions are independently responsible to monitor risks associated within their respective areas of operations. Your Company has formulated the said Risk Management Policy for identification of risks is also made available on the website of your Company at the weblink viz., www.yashchemex.com

The Board of Directors of your Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of your Company.

XI. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

Commodity Price Risk:

Your Company is in the business of trading of Chemicals. Hence, material input price risk exists for the business (volatility).

Currency Risk:

The functional currency of Company is primarily the local currency in which it operates. The currencies in which the transactions are primarily denominated are in Indian Rupees (INR). The Company is exposed to currency risk in respect of transactions in foreign currency. Foreign currency revenues and expenses are in the nature of export sales and import purchases.

XII. General Shareholder Information:
a) Registered Office :

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

b) 13th Annual General Meeting:

Date	Day	Time	Venue
30 th September, 2019	Monday	5.00P.M.	411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad- 380015.

c) Financial Calender:

Financial Year: From 1st April, 2018 to 31st March, 2019

During the Financial Year ended March 31, 2019, Financial Results were announced as under:

Date	Quarter / Annual
10 th December, 2018	Half Year
14 th February, 2019	Third Quarter
28 th May, 2019	Annual

d) Book Closure Dates and Dividend Payment Date:

The Book Closure dates are from Monday, 23rd September, 2019 to Monday, 30th September, 2019 (both days inclusive).

e) Corporate Identification Number (CIN):

Your Company's CIN, allotted by the Ministry of Corporate Affairs is L74110GJ2006PLC048385. Your Company is registered at Ahmedabad in the State of Gujarat, India

f) Listing Details & Listing Fees:

Payment of Listing Fees:-

The Company is listed on BSE Limited ("BSE") The International Securities Identification Number (ISIN) Number of the Company for both NSDL & CDSL is INE571U01010. Your Company has paid the Annual Listing fees for the Financial Year 2018-19 to BSE.

Payment of Depository Fees:-

Annual Custody / Issuer Fee for the Financial Year 2018-19, has been paid by your Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

g) Stock Data:

Name of Stock Exchange	Scrip Code
BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai – 400 001, Maharashtra	539939

Tables 1 below, gives the monthly high and low prices and volumes of Equity Shares of the Company at BSE and for the Financial Year ended March 31, 2019.

Table 2 below, compares the Company's share price at the BSE with the Sensex and

Tables 4 and 5 below respectively give the distribution of shareholding by size and by ownership, respectively as on March 31, 2019:

Table 1: Monthly high and low prices and volumes of Equity Shares of the Company at BSE for the Financial Year ended March 31, 2019

Stock Exchange	BSE		
Month	HIGH (Rs)	LOW (Rs)	VOLUME (No. of Shares)
April 2018	72.45	52.50	2,81,250
May 2018	82.95	64.10	6,09,375
June 2018	87.80	80.00	4,70,625
July 2018	81.45	78.05	2,49,375
August 2018	92.30	78.90	5,98,125
September 2018	101.45	75.00	5,33,992
October 2018	88.00	62.25	2,70,012
November 2018	94.55	65.25	1,71,659
December 2018	88.80	60.25	2,26,906
January 2019	81.75	67.10	1,01,833
February 2019	85.80	66.85	8,52,573
March 2019	99.95	68.15	24,96,829

Table 2:- Company's Share Performance as compared to BSE Sensex for the Financial Year 2018-19:

Month	YCL Monthly Close Price on BSE (in Rs)	BSE Monthly Sensex Close
April 2018	71.45	35,160.36
May 2018	81.30	35,322.38
June 2018	81.30	35,423.48
July 2018	79.75	37,606.58
August 2018	90.50	38,645.07
September 2018	79.90	36,227.14
October 2018	77.25	34,442.05
November 2018	78.10	36,194.30
December 2018	75.50	36,068.33

January 2019	69.20	36,256.69
February 2019	72.75	35,867.44
March 2019	87.05	38,672.91

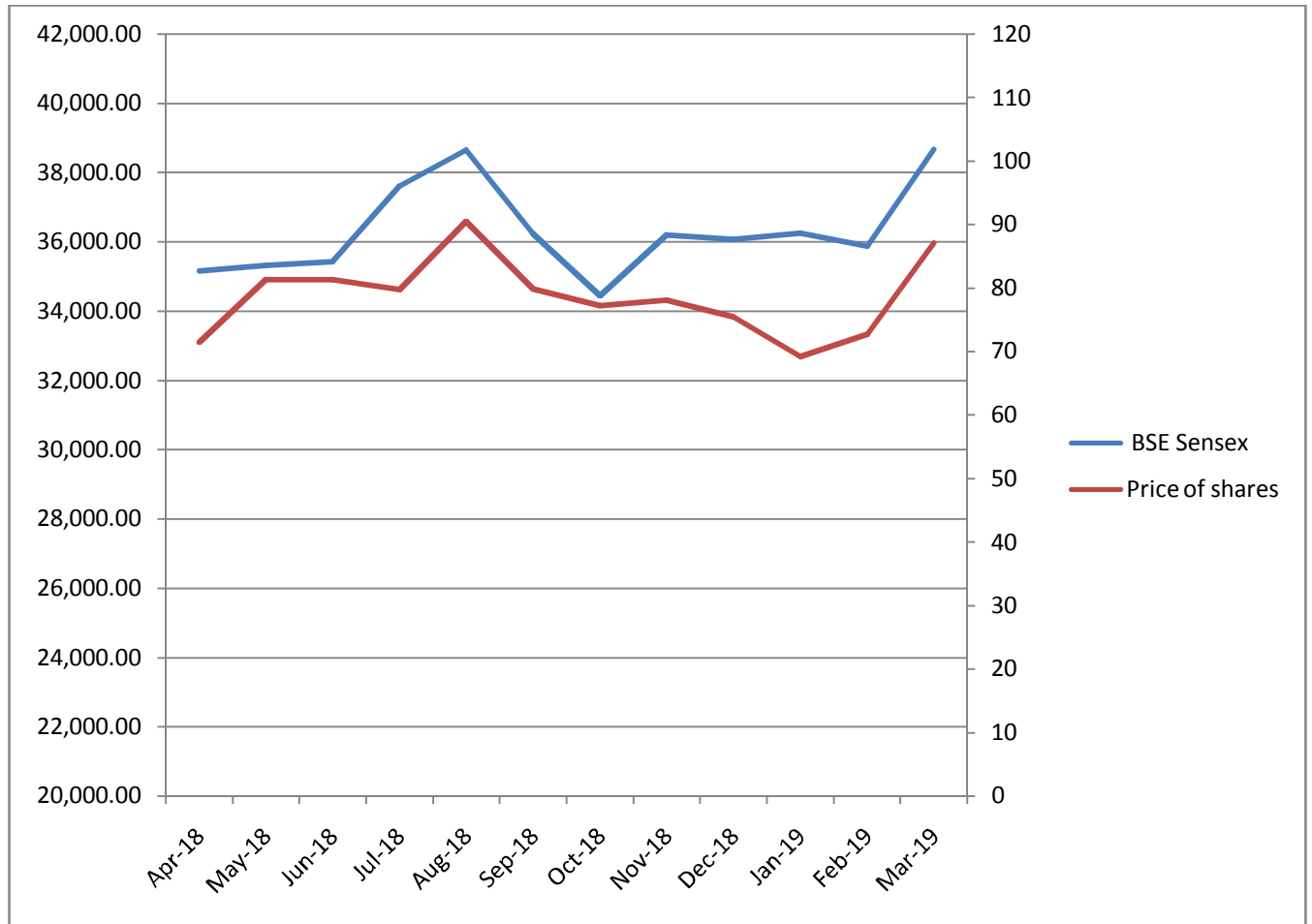


Figure 1

Table 3:- Distribution of Shareholding by Size as on March 31, 2019:

Number of Shares	Number of Shareholders	Shareholders %	Shareholding %
1 -5000	204	35.4783	0.3087
5001- 10000	39	6.7826	0.3167
10001- 20000	79	13.7391	1.3368
20001- 30000	31	5.3913	0.8127
30001- 40000	40	6.9565	1.4040
40001- 50000	12	2.0870	0.5295
50001- 100000	52	9.0435	3.6786
100001 & Above	118	20.5217	91.6131
Total	575		100

Table 4: Distribution of Shareholding by Ownership as on March 31, 2019:

Category (as being reported to Stock Exchanges)	No. of Equity Shares	% of Shareholding
CLEARING MEMBER	243318	2.3754
CORPORATE BODIES	139335	1.3602
NON RESIDENT INDIAN	67657	0.6605
PROMOTERS	4021793	39.2622
PROMOTERS / DIRECTORS	1100382	10.7423
PUBLIC	4670940	45.5994
Total	10243425	100

(The details given above are as per BENPOS received from Bigshare Services Private Limited, Registrar and Share Transfer Agent dated March 30, 2019.)

Shares held in physical and dematerialized form:

As on March 31, 2019, the break-up of share capital of the Company held in physical and dematerialized form is as under:

Mode	No. of Equity Shares	Percentage
Demat shares with NSDL	62,64,722	61.16
Demat shares with CDSL	39,78,703	38.84
Shares held in physical mode	0	0
Total	1,02,43,425	100

(The details given above are as per BENPOS received from BIGSHARE SERVICES PRIVATE LIMITED, Registrar and Share Transfer Agent as on March 30, 2019.)

Share Transfer System:

The Company obtains from a Company Secretary in Practice, a Half Yearly Certificate (April - September 2018 and October - March 2019) to the effect that all certificates have been issued within 30 (thirty) days of the date of lodgement of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with the Stock Exchanges where the Company's shares are listed.

Reconciliation of Share Capital Audit Report:

As per Regulation 76 of the Securities and Exchange Board of India (Depository and Participants) Regulations 2018, a qualified Practicing Company Secretary carried out an Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total physical holding with the total issued and listed capital. This Audit is carried out every quarter and report thereon is submitted to the Stock Exchange(s) where the Company's shares are listed. The Audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL

and CDSL) and total number of shares in physical form, as stated in the Reconciliation Share Capital Audit Report submitted to the Stock Exchange(s).

Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants / Any Convertible Instruments and their likely impact on equity:

The Company does not have any outstanding GDRs / ADRs / warrants /convertible instruments as on March 31, 2019.

Registrar and Share Transfer Agents and Share Transfer System:

Share transfer is effected within a maximum period of 30 (thirty) days from the date of receipt, subject to documents being valid and complete in all respects. The Company obtains from a Company Secretary in Practice, a Half Yearly Certificate to the effect that all certificates have been issued within 30 (thirty) days from the date of lodgement of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the SEBI Listing Regulations and files a copy of the said certificate with the Stock Exchanges where the Company's shares are listed. The Board has approved transfer, transmission, etc. of the Company's shares to the Company Secretary/ Authorised Representatives of Bigshare Services Private Limited, Registrar and Share Transfer Agent. A summary of transfer/transmission of shares of the Company so approved by the Company Secretary / Authorised Representatives of Bigshare Services Private Limited, is placed at the Stakeholders' Relationship Committee Meeting.

Contact details of Bigshare Services Private Limited, our Registrar and Share Transfer Agents are as under:-

BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol-Andheri, Mumbai - 400059

Tel: 022-626382200

E-mail: rajeshm@bigshareonline.com

website: www.bigshareonline.com

Credit Ratings:

During the Financial Year (F.Y.) 2018-19, the Credit Rating granted by SMERA Rating Limited to your Company has been reaffirmed at SMERA MSE -1.

Address for Correspondence:

Chief Financial Officer

411, SIGMA ICON -1, 132FT RING ROAD,

OPP MEDILINK HOSPITAL, SATELLITE

AHMEDABAD GJ 380015 IN

Tel. No.: 079- 40028639

Website: www.yashchemex.com

Email: yashchem@hotmail.com

Investor Correspondence should be addressed to:**Bigshare Services Pvt. Ltd.**

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,

Makwana Road, Marol-Andheri, Mumbai - 400059

Tel: 022-626382200

E-mail: rajeshm@bigshareonline.com

website: www.bigshareonline.com

Exclusive e-mail id for Investors / Shareholders:

The Company has designated an e-mail id to enable the Shareholders and Investors to correspond with the Company. The e-mail id is yashchem@hotmail.com.

SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web-based complaints redress system.

The salient features of this system are:

1. Centralized database of all complaints;
2. Online upload of Action Taken Reports (ATRs) by concerned companies; and
3. Online viewing by investors of actions taken on the complaint and its current status.

Non-compliance of any Requirement of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations:

The Company has complied with all the requirements in this regard, to the extent applicable.

Code of Conduct:

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company

at the weblink <http://www.yashchemex.com> The declaration by the Managing Director stating that all the Board Members and Senior Management Personnel have affirmed their compliance with the laid down Code of Conduct for the Financial Year ended March 31, 2019, is annexed to this Corporate Governance Report.

Disclosures by Management to the Board of Directors:

Your Company had received disclosures from all the Senior Management Personnel stating that none of them had any personal interest in any of the financial and commercial transactions entered into by the Company during the Financial Year 2018-19. Interested Directors, if any, neither participate in discussions, nor do they vote on such matters.

Public, Rights and Other Issues:

There were no Public, Rights and Other Issues during the Financial Year 2018-19.

CEO and CFO Certification:

Mr. Pritesh Y. Shah, Managing Director and Mr. Kiritkumar Shah, Chief Financial Officer, have issued the Certificate in accordance with Regulation 17(8) of the Listing Regulations with regard to Quarter and Annual Financial Statements for the Financial Year ended March 31, 2019.

Management Discussion and Analysis Report:

Management Discussion and Analysis Report forms a part of this Annual Report.

Disclosure of Accounting Treatment in preparation of Financial Statements:

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India and comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act.

Compliance Certificate on Corporate Governance:

As per Regulation 34 of the Listing Regulations, the Certificate issued by Yashree Dixit and Associates, Company Secretaries, regarding compliance of conditions of Corporate Governance is annexed to this Corporate Governance Report

Disclosures of compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:

Sr. No.	Particulars	Regulation	Compliance Status Yes/No/N.A.	Compliance observed for the following:
1.	Board of Directors	17& 17A	Yes	<ul style="list-style-type: none"> • Board Composition • Meeting of Board of Directors • Review of Compliance Reports • Plans for Orderly Succession for Appointments • Code of Conduct • Fees/Compensation • Minimum Information to be placed before the Board • Compliance Certificate • Risk Assessment and Management • Performance Evaluation of Independent Directors • Explanatory Statement to be annexed to General Meeting • Maximum Number of Directorships
2.	Audit Committee	18	YES	<ul style="list-style-type: none"> • Composition • Meeting of Audit Committee • Powers of Audit Committee • Role of Audit Committee and Review of Information by the Committee

3.	Nomination and Remuneration Committee	19	YES	<ul style="list-style-type: none"> • Composition • Role of the Committee • Frequency of Meetings
4.	Stakeholders' Relationship Committee	20	YES	<ul style="list-style-type: none"> • Composition • Role of the Committee • Frequency of Meetings
5.	Risk Management Committee	21	YES	<ul style="list-style-type: none"> • Composition • Role of the Committee • Frequency of Meetings
6.	Vigil Mechanism	22	YES	<ul style="list-style-type: none"> • Formulation of Vigil Mechanism for Directors and Employees • Direct access to Chairman of Audit Committee
7.	Related Party Transactions	23	Yes	<p>Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions</p> <ul style="list-style-type: none"> • Related Party Transactions of the Company are in accordance with contracts duly approved by the Audit Committee, Board of Directors and Shareholders. • Review of transactions pursuant to aforesaid Contracts • Disclosure of Related Party Transactions
8.	Corporate Governance requirements with respect to subsidiary of Listed entity	24 & 24 A	YES	<ul style="list-style-type: none"> • Review of Investments made by unlisted subsidiary companies by the Audit Committee. • Minutes of Meetings of Board of Directors of unlisted subsidiary companies placed at the Meetings of the Board of Directors of the Company. • Review of significant transactions and arrangements entered into by the unlisted subsidiary companies. • Secretarial Audit Report of Material Subsidiary to be annexed
9.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> • Maximum Directorships and Tenure • Meeting of Independent Directors • Familiarisation of Independent Directors
10.	Obligations with respect to Directors and Senior Management	26	Yes	<ul style="list-style-type: none"> • Memberships/Chairmanships in Committees • Affirmation with compliance to Code of Business conduct and Ethics from Directors and Management
11.	Other Corporate Governance Requirements	27	Yes	<ul style="list-style-type: none"> • Compliance with discretionary requirements • Filing of quarterly compliance report on Corporate Governance
12.	Website	46(2)(b) to	Yes	<ul style="list-style-type: none"> • Composition of various Committees of

		(i)		Board of Directors <ul style="list-style-type: none"> • Code of Business Conduct and Ethics for Directors Management Personnel • Details of establishment of Vigil Mechanism/Whistle Blower Policy • Policy on dealing with Related Party Transactions • Details of familiarization programmes imparted to Independent Directors
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Transfer of Unpaid / Unclaimed Amounts of Dividend to Investor Education and Protection Fund:

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

CERTIFICATE

(pursuant to Regulation 34(3) and schedule V para C clause (10) (i) of the SEBI (Listing Obligation Disclosure requirement) Regulation, 2015)

To,
 The Members of
Yash Chemex Limited
 411, Sigma Icon-1,
 132ft Ring Road, Satellite,
 Ahmedabad-380015.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the **YASH CHEMEX LIMITED, CIN: L74110GJ2006PLC048385** and having registered office at 411, Sigma Icon-1, 132ft Ring Road, Satellite, Ahmedabad-380015 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V para – C sub clause 10(i) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number [DIN] status at the MCA portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of Directors of the Company as sated below for the financial year ending on 31st March 2019 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities Exchange and Board of India, Ministry of Corporate affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Pritesh Yashwantlal Shah	00239665	03/06/2006
2	Yashwantlal Chhanalal Shah	01002342	03/06/2006
3	Dimple Priteshkumar Shah	06914755	19/07/2018

4	Jinal Dineshbhai Shah	07467703	30/03/2016
5	Angee Rajendrakumar Shah	07486980	09/04/2016
6	Vrusha Patel	07772669	29/05/2017

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

For, **YASHREE DIXIT & ASSOCIATES**

Yashree Dixit
Proprietor
ACS- 52508 CP- 19206

Place:- Ahmedabad
Date:- 28th May, 2019

**DECLARATION BY MANAGING DIRECTOR
WITH RESPECT TO COMPLIANCE WITH CODE OF CONDUCT OF
YASH CHEMEX LIMITED ("THE COMPANY")**

As provided under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the said Regulations, this is to confirm that all the Members of the Board of Directors and the Senior Management have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2019.

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Date: May 28, 2019
Place: Ahmedabad

**CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE
REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE
REQUIREMENTS) REGULATIONS, 2015**

To,
The Members of
Yash Chemex Limited
411, Sigma Icon-1,
132ft Ring Road, Satellite,
Ahmedabad-380015.

We have examined all relevant records of **Yash Chemex Limited CIN: L74110GJ2006PLC048385** (further known as the Company) for the purpose of certifying compliance of the disclosure requirements and corporate governance norms as specified for the Listed Companies as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), for the Financial Year ended March 31, 2019. We have obtained all the information and explanations to the best of our knowledge and belief, which were necessary for the purpose of this certification.

We state that the compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified for listed company. Except the following regulation
a) The Company has not submitted 31st March, 2019 quarterly corporate governance report with the BSE under Regulation 27(2) of SEBI (LODR) Regulation 2015,
b)The company has not appointed an independent director in its unlisted material subsidiary (i.e Yasons Chemex Care Limited) till 31st March, 2019 under regulation 24(1) of SEBI (LODR) Regulation 2015.

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

For, **YASHREE DIXIT & ASSOCIATES**

Yashree Dixit
Proprietor
ACS- 52508 CP- 19206

Place: Ahmedabad
Date: 28th May, 2019

Managing Director & Chief Financial Officer Certificate

To
The Board of Directors
Yash Chemex Limited

- a. We have reviewed standalone and consolidated financial statements and the cash flow statement for the year ended March 31, 2019 and to the best of our knowledge and belief:
 - I. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - II. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2019 which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
 - I. that there are no significant changes in internal control over financial reporting during the year;
 - II. that there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - III. that no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Yash Chemex Limited

Place: Ahmedabad
Date: 28th May, 2019

Pritesh Y. Shah
Managing Director

Kirit H. Shah
CFO

INDEPENDENT AUDITOR'S REPORT

To the Members of

YASH CHEMEX LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of **Yash Chemex Limited** (the 'Company') which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income) Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ('Ind AS'), other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year then ended on that date.

Basis for Opinion

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

Key Audit Matters

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

INFORMATION OTHER THAN FINANCIAL STATEMENTS & AUDITORS REPORT THEREON

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report (but does not include the standalone financial statements and our auditor's reports thereon).

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Based on the work we have performed we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. The responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively or ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements:-

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's

ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion.

- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable .

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief are 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 it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income Statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2011.
- (e) On the basis of the written representations received from the directors as on ^t March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to or separate report in "**Annexure B**" to this Report.
- (g) With respect to the other matters to be included in the Auditors Report in accordance with requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its Directors during the year is in accordance with the provisions of Section 197.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The company has disclose the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 to the Standalone 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 has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For, Harshad Sudhir & Co.
Chartered Accountants
FRN 129775W

CA. Sudhir Shah
Partner
Membership No. 115947

Place : Ahmedabad,
Date : 28/05/2019

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the financial statements of the Company for the year ended March 31, 2019:

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) The Company has regular programme of physical verification of fixed assets by which all fixed assets are verified in phased manner over period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its business. According to information and explanations given to us, no material discrepancies were noticed on such verification.
(c) According to the information and explanation given to us, the title deed of immovable properties are held in the name of the company.
2. As per information provided to us, Inventory has been physically verified by the management during the year and no material discrepancies were noticed.
3. According to information and explanation given to us, 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 Act. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the Company has not granted loan or made investment or given guarantee or provided security as provided in the section 185 and 186 of the Companies Act, 2013.
5. According to information and explanation given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014 (as amended). Accordingly, the provisions

of clause 3 (v) of the Order are not applicable to the Company and hence not commented upon.

6. According to information and explanation given to us, the Central Government has not prescribed the maintenance of Cost Records under section 148(1) of the Companies Act, 2013.

7. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of account, and records :

(a) the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.

(b) According to the records of the Company, the dues to Income Tax, Service Tax, Value Added Tax and cess on account of any dispute, are as follows:

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs. in Lakhs)	Amount Unpaid (Rs. in Lakhs)
The Income Tax Act, 1961	Income Tax	CIT- Appeal Ahmedabad	AY 2011-12	138.26	138.26

8. According to the information and explanations given by the management,, the Company has not defaulted in repayment of loan or borrowing to financial institution, bank, government or dues to debenture holders.

9. According to the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments during the year.

10. According to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the company by its officers or employees of the Company has been noticed or reported during the year.

11. According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act.

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13. 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 Standalone Ind AS Financial Statements as required by the applicable Indian accounting standards.

14. According to the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15. According to the information and explanations 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.

16. In our opinion, the company is not required to be registered under section 45 IA 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
FRN 129775W

CA. Sudhir Shah
Partner
Membership No. 115947

Place : Ahmedabad,
Date : 28/05/2019

Annexure 'B'**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (1) OF SUB-SECTION 3 OF SEC.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, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding

of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting.

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

For, Harshad Sudhir & Co.



Annual Report – 2018 - 2019

**Chartered Accountants
FRN 129775W**

**CA. Sudhir Shah
Partner
Membership No. 115947**

**Place : Ahmedabad,
Date : 28/05/2019**

Balance Sheet as at March 31, 2019

Particulars		Note No.	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
A	ASSETS				
1	Non-current assets				
	(a) Property, plant and equipment	5	30,10,440	32,23,472	34,12,569
	(b) Financial assets				
	(i) Investments	6	8,21,80,600	2,88,59,501	-
	(ii) Loans	7	1,80,000	1,50,000	1,50,000
	(c) Deferred Tax Assets	8	-	27,78,162	32,36,799
	Total non - current assets		8,53,71,040	3,50,11,135	67,99,368
2	Current assets				
	(a) Inventories	9	6,05,66,210	3,14,01,074	2,93,19,959
	(b) Financial assets				
	(i) Trade receivables	10	25,07,29,600	28,31,10,029	37,13,50,317
	(ii) Cash and cash equivalents	11	13,65,387	11,23,290	15,10,702
	(iii) Other bank balances	12	24,513	24,513	22,899
	(iv) Loans	13	45,648	8,50,377	-
	(v) Other financial assets	14	-	6,25,297	3,02,433
	(c) Other current assets	15	1,84,12,322	13,36,600	27,31,419
	Total current assets		33,11,43,680	31,84,71,180	40,52,37,728
	Total assets (1+2)		41,65,14,720	35,34,82,314	41,20,37,097
B	EQUITY AND LIABILITIES				
1	EQUITY				
	(a) Equity share capital	16	10,24,34,250	10,24,34,250	4,09,73,700
	(b) Other equity	17	6,38,14,173	3,42,90,598	8,28,30,135
	Total equity		16,62,48,423	13,67,24,848	12,38,03,835
	LIABILITIES				
2	Non-current liabilities				
	(a) Financial liabilities				
	(i) Borrowings	18	-	-	-
	(b) Provisions	19	6,65,669	-	-
	(c) Deferred tax liabilities (Net)	8	19,04,976	-	-
	Total non - current liabilities		25,70,645	-	-
3	Current liabilities				
	(a) Financial liabilities				
	(i) Borrowings	20	1,28,02,663	1,94,00,100	2,85,35,119
	(ii) Trade payables	21	21,36,23,300	19,51,21,653	25,56,64,245
	(iii) Other financial liabilities	22	-	-	9,51,972
	(b) Other current liabilities	23	1,90,18,118	4,79,755	24,83,641
	(c) Provisions	24	7,31,882	-	-
	(d) Current tax liabilities (Net)	25	15,19,689	17,55,958	5,98,285
	Total current liabilities		24,76,95,652	21,67,57,466	28,82,33,262
	Total equity and liabilities (1+2+3)		41,65,14,720	35,34,82,314	41,20,37,097
	Summary of significant accounting policies	4			

In terms of our report attached.

For, Harshad Sudhir & Co.,

Chartered Accountants

Firm Regd. No.129775W

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantlal C. Shah
Whole Time Director
(DIN: 01002342)

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

Kiritbhai H. Shah
Chief Financial Officer

Aesha Mashru
Company Secretary

Place : Ahmedabad

Place: Ahmedabad

Date : 28.05.19

Date : 28.05.19

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note No.	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
I Revenue from operations	26	92,24,76,318	84,66,74,471
II Other income	27	18,60,659	90,58,675
III Total income (I + II)		92,43,36,977	85,57,33,146
IV EXPENSES			
(a) Cost of materials consumed		-	-
(b) Purchases of stock-in-trade		90,61,92,504	80,57,35,597
(c) Changes in inventories of stock-in-trade	28	(2,91,65,136)	(20,81,115)
(d) Excise duty		-	1,64,33,720
(e) Employee benefit expense	29	64,49,027	45,41,393
(f) Finance costs	30	7,47,800	28,00,810
(g) Depreciation and amortisation expense	31	2,33,032	3,03,268
(h) Other expenses	32	1,23,89,794	43,07,293
Total expenses		89,68,47,021	83,20,40,966
V Profit/(loss) before tax (III- IV)		2,74,89,956	2,36,92,180
VI Tax expense			
(1) Current tax	33	80,16,520	61,56,000
(2) Deferred tax	33	(34,619)	12,42,960
Total tax expense		79,81,901	73,98,960
VII Profit/(loss) for the period (V-VI)		1,95,08,055	1,62,93,221
VIII Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Equity instruments through other comprehensive income	34	1,65,69,374	(24,30,499)
(ii) Income tax relating to items that will not be reclassified to profit or loss	34	(47,17,757)	7,84,322
Total other comprehensive income		1,18,51,617	(16,46,177)
IX Total comprehensive income for the period (VII+VIII)		3,13,59,672	1,46,47,043
X Basic & diluted earnings per share of face value of Rs.10 each fully paid up			
(1) Basic		1.90	1.59
(2) Diluted		1.90	1.59

In terms of our report attached.

For, Harshad Sudhir & Co.,

Chartered Accountants

Firm Regd. No.129775W

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantial C. Shah
Whole Time Director
(DIN:01002342)

Sudhir S. Shah

Partner

M. No.115947

Place : Ahmedabad

Date : 28.05.19

Kiritbhai H. Shah
Chief Financial Officer

Place : Ahmedabad

Date : 28.05.19

Aesha Mashru
Company Secretary

Cash Flow Statement for the year ended March 31, 2019

Particulars	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
Cash flow from operating activities		
Profit before tax	2,74,89,956	2,36,92,180
Adjustments for :		
Depreciation and amortisation expense	2,33,032	3,03,268
Provision for expected credit loss	(1,59,775)	(54,83,105)
Finance costs	7,47,800	28,00,810
Discount Income	(2,33,930)	(18,05,188)
Balances written off	-	(64,50,637)
Interest income	(50,301)	(2,033)
Operating profit before working capital changes	2,80,26,782	1,30,55,295
Changes in operating assets and liabilities:		
(Increase)/Decrease in inventories	(2,91,65,136)	(20,81,115)
(Increase)/Decrease in trade receivables	3,25,40,204	9,37,23,393
(Increase)/Decrease in other bank balance	-	(1,614)
(Increase)/Decrease in loans (Current + Non-current)	7,74,729	(8,50,377)
(Increase)/Decrease in Other current financial	6,25,297	(3,22,864)
(Increase)/Decrease in other current assets	(1,70,75,722)	13,94,819
Increase/(Decrease) in trade payable	1,87,35,577	(5,22,86,767)
Increase/(Decrease) in other current financial	-	(9,51,972)
Increase/(Decrease) in other current liabilities	1,85,38,363	(20,03,886)
Increase/(Decrease) in Provisions (Current + Non-current)	13,97,551	-
Cash flow generated from operations	5,43,97,645	4,96,74,912
Direct taxes paid (net)	(82,52,789)	(49,98,327)
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A)	4,61,44,856	4,46,76,585
Cash flows from investing activities		
Purchase of property, plant and equipments	(20,000)	(1,14,171)
Interest received	50,301	2,033
Investments made during the year	(3,67,51,726)	(3,12,90,000)
NET CASH FLOW FROM / (USED IN) IN INVESTING ACTIVITIES (B)	(3,67,21,425)	(3,14,02,138)
Cash flows from financing activities		
Finance costs paid	(7,47,800)	(28,00,810)
Dividend Paid (including Dividend Distribution	(18,36,097)	(17,26,030)
Repayment of short-term borrowings	(65,97,437)	(91,35,019)
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	(91,81,335)	(1,36,61,859)
NET INCREASED / (DECREASED) IN CASH AND CASH EQUIVALENTS (A + B + C)	2,42,097	(3,87,412)
Cash and cash equivalents at the beginning of the	11,23,290	15,10,702
Cash and cash equivalents at the end of the year	13,65,387	11,23,290

Notes:

(i). The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 Cash Flow Statements specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(ii). Previous Period's / Year's figures have been re-grouped / Re-Classified where necessary to make it comparable with the current period.

In terms of our report attached.**For, Harshad Sudhir & Co.,**

Chartered Accountants

Firm Regd. No.129775W

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantlal C. Shah
Whole Time Director
(DIN: 01002342)**Sudhir S. Shah**

Partner (M. No.115947)

Kiritbhai H. Shah
Chief Financial Officer

Aesha Mashru
Company Secretary

Place : Ahmedabad

Date: 28.05.19

Place : Ahmedabad

Date: 28.05.19

Statement of Changes in Equity for the year ended on March 31, 2019

Equity Share Capital

Particulars	Note No.	Amount Rs.
Balance as on 1st April, 2017	16	4,09,73,700
Changes during the year		6,14,60,550
Balance as on 31st March, 2018	16	10,24,34,250
Changes during the year		Nil
Balance as on 31st March, 2019	16	10,24,34,250

Other Equity

Amount in Rs.

Particulars	Note No.	Reserves and Surplus		Security Premium	Total
		Retained Earnings			
		Profit and Loss	Other Comprehensive Income		
Balance as at 1st April, 2017	17	50,47,835	-	7,77,82,300	8,28,30,135
Profit for the year		1,62,93,221	Nil	Nil	1,62,93,221
Other comprehensive income for the year (net of Tax)		Nil	(16,46,177)	Nil	(16,46,177)
Payment of Interim Dividends		(14,34,080)	-	-	(14,34,080)
Tax on Dividends		(2,91,950)	-	-	(2,91,950)
Utilised for issuance of Bonus shares		-	-	(6,14,60,550)	(6,14,60,550)
Balance as at 31st March, 2018	17	1,96,15,026	(16,46,177)	1,63,21,750	3,42,90,598
Profit for the year		1,95,08,055	Nil	Nil	1,95,08,055
Other comprehensive income for the year (net of Tax)		Nil	1,18,51,617	Nil	1,18,51,617
Payment of Interim Dividends		(15,17,813)	-	-	(15,17,813)
Tax on Dividends		(3,18,284)	-	-	(3,18,284)
Balance as at 31st March, 2019	17	3,72,86,983	1,02,05,440	1,63,21,750	6,38,14,173

In terms of our report attached.

For, Harshad Sudhir & Co.,
Chartered Accountants
Firm Regd. No.129775W

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantlal C. Shah
Whole Time Director
(DIN: 01002342)

Sudhir S. Shah
Partner
M. No.115947

Kiritbhai H. Shah
Chief Financial Officer

Aesha Mashru
Company Secretary

Place : Ahmedabad
Date : 28.05.19

Place : Ahmedabad
Date :28.05.19

Notes to financial statement for the year ended March 31, 2019

1. Corporate information:

Yash Chemex Limited (“the Company”) was incorporated on June 3, 2006 under the provisions of the Companies Act, 1956; having registered office at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad - 380015, Gujarat, India. It is mainly in the business of trading of chemical products.

The financial statements are approved for issue by the Company's Board of Directors on May 28, 2018

2. Statement of compliance:

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended read with Section 133 of the Companies Act, 2013.

Upto the year ended March 31, 2018, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with rules thereunder ('Indian GAAP' or 'previous GAAP'). The current financial statements comprising of Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows as at March 31, 2019 have been prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2017. Previous period numbers in the financial statements have been restated to Ind AS. Refer Note 43 for an explanation of the transition from previous GAAP to Ind AS.

3. Basis of preparation:

The financial statements have been prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

4. Summary of significant accounting policies:

i) Use of estimates:

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the financial statements. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities in coming financial years are specified here-in-after:

Notes to financial statement for the year ended March 31, 2019***Useful lives of property, plant and equipment***

The Company is providing depreciation at the rates derived based on the useful life specified under Schedule-II to the Companies Act, 2013. The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date, adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

Major provisions recognized in financial statement and related accounting policy are specified as under:

Measurement of defined benefit obligations - Refer Note 4(xiv), 19, 24, and 37

Current / Deferred tax liabilities - Refer Note 4(xv), 8 and 33

Allowances for expected credit losses - Refer Note 4(xi) and 10.

Other estimates:

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

ii) Revenue recognition:

The Company derives revenues primarily from business of trading of chemicals and related products.

For the comparative period (From April 1, 2017 to March 31, 2018), the company has adopted Ind-AS 18 "Revenue Recognition" for recognition of revenue from sale of goods. Further from April 1, 2018; the Company adopted Ind-AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and / or revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.

Old Accounting Policy (As per Ind-AS 18 "Revenue Recognition" applicable from April 1, 2017 to March 31, 2018):

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of customers' return, trade / volume discounts, rebates, value added taxes, goods & service taxes and any other claims in respect of sale.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Notes to financial statement for the year ended March 31, 2019**New Accounting Policy (As per Ind-AS 115 "Revenue from Contracts with Customers" applicable from April 1, 2018 onwards) :**

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

In company's case, transfer of control of promised products (i.e. delivery along with invoice) shall be the performance obligation which is generally satisfied in time. Hence in case where there is no uncertainty as to measurement or collectability of consideration, revenue is recognised as soon as the control of the products has been given. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Further in company's case, no element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Company.

The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts / incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount / incentive.

Also, when the level of discount varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount there of can not be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

The Company presents revenues net of indirect taxes in its statement of Profit and loss.

Other Income

Other income is comprised primarily of interest income, consulting income and exchange gain / loss on foreign currency receivables.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Consulting income is recognised when services have been provided to the customer and there is not significant uncertainty as to measurement or collectibility of consideration.

Notes to financial statement for the year ended March 31, 2019

iii) Property, Plant & Equipment:

Property, Plant & Equipment

Freehold land is carried at historical cost. All other Property, Plant and Equipments are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Capital Work-in-progress

Properties in the course of construction (CWIP) for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Transition to Ind-AS:

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

iv) Depreciation on Property, Plant & Equipment:

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible property, plant and equipment is provided over the useful lives specified under Schedule II to the Companies Act, 2013.

The estimated useful lives are mentioned below:

Nature of Assets	Useful life
	(in Years)
Vehicles	8 & 10
Buildings	60
Office Equipments	5
Computers	3
Furniture & Fixtures	10

Notes to financial statement for the year ended March 31, 2019**v) Intangible Assets and Amortization:**

Intangible assets purchased are measured at cost or fair value as on the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets are amortised on a straight line basis over their estimated useful lives, commencing from the date the asset is available to the Company for its intended use.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any

vi) Impairment of Property, Plant & Equipment and intangible assets :

At the end of each reporting period, the Company reviews the carrying amounts of its Property, Plant & Equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Carrying amount equals to cost less accumulated depreciation and accumulated impairment losses recognised previously.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

vii) Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

viii) Inventories:**Stock in Trade**

Being into the business of trading of chemicals and related products, company carries "Stock in Trade" as its inventory. It is valued at lower of cost or net realisable value. Cost is determined on FIFO basis.

Notes to financial statement for the year ended March 31, 2019**ix) Leases:**

In respect of assets taken on lease, leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases.

Operating lease payments for lands are recognized as prepayments and amortised on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

x) Government Grants and Subsidies:

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

xi) Financial Instruments:

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

Financial Assets**a. Initial recognition and measurement**

At initial recognition, the Company measures a financial asset (which are not measured at fair value) through profit or loss at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Notes to financial statement for the year ended March 31, 2019

b. Subsequent measurement

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

- i) Financial assets measured at amortised cost;
- ii) Financial assets at fair value through profit or loss (FVTPL) and
- iii) Financial assets at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above mentioned categories based on:

- a) The Company's business model for managing the financial assets, and
- b) The contractual cash flows characteristics of the financial asset.

i) Financial assets measured at amortised cost :

A financial asset is measured at amortised cost if both of the following conditions are met:

- a) A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the Contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- b) Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

ii) Financial assets at fair value through profit or loss (FVTPL):

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or

iii) Financial assets at fair value through other comprehensive income (FVTOCI):

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by collecting both contractual cash flows that gives rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income. In addition, The Company may elect to designate a financial asset, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

Trade receivables, Advances, Security Deposits, Cash and Cash Equivalents etc. are classified for measurement at amortised cost.

c. Derecognition

The Company derecognizes a financial asset when contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the assets's carrying amount and the sum of the consideration received and receivable is recognized in the Statement of Profit and Loss.

d. Impairment

Notes to financial statement for the year ended March 31, 2019

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables,
- ii. Financial assets measured at amortized cost (other than trade receivables and lease receivables),
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance. As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

Financial Liabilities**a. Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

b. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- i) Financial liabilities measured at amortised cost.
- ii) Financial liabilities at fair value through profit or loss.

i) Financial liabilities measured at amortised cost :

Notes to financial statement for the year ended March 31, 2019

All financial liabilities are measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

ii) Financial assets at fair value through profit or loss (FVTPL):

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

c. Derecognition

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged or cancelled or expiry. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Notes to financial statement for the year ended March 31, 2019

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Notes to financial statement for the year ended March 31, 2019

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable

xii) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

xiii) Foreign currency Transactions

The functional currency of Yash Chemex Limited is Indian rupee.
On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

xiv) Employee benefits

Short term employee benefits

Short Term benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

Post employment benefits

a. Defined contribution plans

As the company does not meet the employees' threshold, currently the company is not required to contribute towards any plan under any law for the time being in force. The company shall start contributing as and when it is required by the law.

b. Defined benefit plans

The Liability for Gratuity to employees, which is a defined benefit plan (unfunded), as at Balance Sheet date determined on the basis of actuarial Valuation based on Projected Unit Credit method.

The present value of the defined benefit obligations is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in balance sheet. Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognized immediately in profit or loss as past service cost.

Notes to financial statement for the year ended March 31, 2019

xv) Income Taxes:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

xvi) Provisions:

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Notes to financial statement for the year ended March 31, 2019

xvii) Earnings per equity share:

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company after adjusting for diluted earning, by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

xviii) Dividend:

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

xix) Cenvat, Service Tax, Vat & GST:

CENVAT /Service Tax/ VAT/GST credit on materials purchased for production / service availed for production / input service are taken into account at the time of purchase and CENVAT /Service Tax/ VAT/GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

The CENVAT/GST credits so taken are utilized for payment of excise duty/GST on goods manufactured. The unutilized CENVAT/GST credit is carried forward in the books. The VAT/GST credits so taken are utilized for payment of tax on goods sold. The unutilized VAT/GST credit is carried forward in the books.

(xx) Segment reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting to the CODM.

Accordingly, the Board of Directors of the Company is CODM for the purpose of segment reporting. Refer note 38 for segment information presented.

(xxi) Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xxii) Operating cycle:

The Operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS 1- 'Presentation of Financial Statements' and Schedule III to the Companies Act,2013.

Notes to financial statement for the year ended March 31, 2019

Note 5: Property, Plant and Equipment

(Amt. in Rs.)

Particulars	Vehicles	Buildings	Office Equipments	Computers	Furniture & Fixtures	Total
Deemed Cost as at April 1, 2017 (Note i)	1,96,990	30,36,556	60,365	15,802	1,02,856	34,12,569
Addition during the year	96,671	Nil	Nil	17,500	Nil	1,14,171
Deduction during the year	Nil	Nil	Nil	Nil	Nil	Nil
Gross Carrying Value as on March 31, 2018	2,93,661	30,36,556	60,365	33,302	1,02,856	35,26,740
Addition during the year				20,000		20,000
Deduction during the year	Nil	Nil	Nil	Nil	Nil	Nil
Gross Carrying Value as on March 31, 2018	2,93,661	30,36,556	60,365	53,302	1,02,856	35,46,740
Accumulated depreciation as on April 1, 2017	Nil	Nil	Nil	Nil	Nil	Nil
Addition during the year	88,410	1,42,436	29,776	14,454	28,192	3,03,268
Deduction during the year	Nil	Nil	Nil	Nil	Nil	Nil
Accumulated depreciation as on March 31, 2017	88,410	1,42,436	29,776	14,454	28,192	3,03,268
Addition during the year	61,465	1,35,755	11,450	3,898	20,464	2,33,032
Deduction during the year		Nil	Nil	Nil	Nil	Nil
Accumulated depreciation as on March 31, 2018	1,49,875	2,78,191	41,226	18,352	48,656	5,36,300
Net Carrying Value as on April 1, 2017	1,96,990	30,36,556	60,365	15,802	1,02,856	34,12,569
Net Carrying Value as on March 31, 2018	2,05,251	28,94,120	30,589	18,848	74,664	32,23,472
Net Carrying Value as on March 31, 2019	1,43,786	27,58,365	19,139	34,950	54,200	30,10,440

Notes:

i. Deemed cost of Property, Plant & Equipment as at April 1, 2017 is as under:

(Amount in Rs.)

Particulars	Gross block	Accumulated Depreciation	Written down value
Vehicles	8,16,859	6,19,869	1,96,990
Buildings	40,40,260	10,03,704	30,36,556
Office Equipments	3,06,817	2,46,452	60,365
Computers	1,86,967	1,71,165	15,802
Furniture & Fixtures	2,50,100	1,47,244	1,02,856
Total	56,01,003	21,88,434	34,12,569

Note - The Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value owing to exemption given in Para D7AA of Ind AS 101 -First time adoption of Indian Accounting Standards. (refer Note 43 to financial statement)

ii. Assets pledged as security:

Refer Note. 18 & 20 for disclosure of assets pledged as security.

iii. Capitalised borrowing cost:

Borrowing Cost Capitalised on Property, Plant and Equipment during the year ended March 31, 2019 - Rs. Nil/- (for the year ended March 31, 2018: Rs. Nil/-).

iv. Contractual obligations:

Refer Note. 35 for disclosure of Contractual Commitments for the acquisition of property, Plant & Equipment.

Notes to financial statement for the year ended March 31, 2019				
6	Non-current Investments	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	Investment in Subsidiaries at amortised cost (Unquoted)			
	Yasons Chemex Care Limited (3002000 shares as on 31-03-2019, 2119000 shares as on 31-03-2018 and Nil shares as on 01-04-2017) of face value Rs. 10 each fully paid up.	4,83,65,000	2,12,90,000	Nil
	Investments in Equity Instruments at fair value through other comprehensive income (Quoted)			
	Mahickra Chemical Ltd. (500000 shares as on 31-03-2019, 500000 shares as on 31-03-2018 and Nil shares as on 01-04-2017) of face value Rs. 10 each fully paid up.	2,40,50,000	75,69,501	Nil
	Ushanti Colour Chem Ltd (156000 shares as on 31-03-2019, Nil shares as on 31-03-2018 and Nil shares as on 01-04-2017) of face value Rs. 10 each fully paid up.	97,65,600	Nil	Nil
	Total	8,21,80,600	2,88,59,501	-
Aggregate amount of quoted investment - At cost	1,96,76,726	1,00,00,000	-	
Aggregate amount of unquoted investment - At cost	4,83,65,000	2,12,90,000	-	
7	Non-current loans	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	Unsecured and considered good			
	a) Security Deposits Unsecured, considered good	1,80,000	1,50,000	1,50,000
	Total	1,80,000	1,50,000	1,50,000
8	Deferred Tax Asset (Net)	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	Deferred Tax Assets			
	Allowance for Expected Credit Loss on Trade Receivables	16,92,394	20,14,664	32,30,583
	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	-	-	6,217
	Unpaid liability allowable on payment basis in succeeding years u/s. 43B of the Income tax Act, 1961	3,87,132	-	-
	Fair Valuation of investment in Equity Instruments	-	7,84,322	-
	Total Deferred Tax Assets	20,79,526	27,98,986	32,36,799
	Deferred Tax Liabilities			
	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	51,067	20,824	-
	Fair Valuation of investment in Equity Instruments	39,33,435	-	-
	Unpaid liability allowable on payment basis in succeeding years u/s.	-	-	-
	Total Deferred Tax Liabilities	39,84,502	20,824	-
Net	(19,04,976)	27,78,162	32,36,799	

Notes to financial statement for the year ended March 31, 2019				
Note i. Movement of deferred tax liability:				
Movements in Deferred Tax Liabilities	Unpaid liability allowable on payment basis in succeeding years u/s. 43B of the Income tax Act, 1961	Fair Valuation of investment in Equity Instruments	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	Allowance for Expected Credit Loss on Trade Receivables
At April 01, 2017 *	-	-	6,217	32,30,583
(Charged) / credited:				
to profit or loss	-	-	(27,041)	(12,15,919)
to other comprehensive income	-	7,84,322	Nil	Nil
At March 31, 2018 *	-	7,84,322	(20,824)	20,14,664
(Charged) / credited:				
to profit or loss	3,87,132	-	(30,243)	(3,22,270)
to other comprehensive income	-	(47,17,757)	Nil	Nil
At March 31, 2019 *	3,87,132	(39,33,435)	(51,067)	16,92,394
9 Inventories		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
		Rs.	Rs.	Rs.
Stock in Trade		6,05,66,210	3,14,01,074	2,93,19,959
Total		6,05,66,210	3,14,01,074	2,93,19,959
10 Trade receivables		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
		Rs.	Rs.	Rs.
Trade Receivables (Unsecured)				
Considered Good		25,68,12,973	28,93,53,177	38,30,76,570
Considered Doubtful		Nil	Nil	Nil
		25,68,12,973	28,93,53,177	38,30,76,570
Less: Allowance for Expected Credit Loss		60,83,373	62,43,148	1,17,26,253
Total		25,07,29,600	28,31,10,029	37,13,50,317
Notes:				
i. Out of above trade receivables, there are no amount which is receivable from firms / private companies in which directors of the company are partners / directors.				
ii. The Company provides an allowance for impairment of doubtful accounts based on financial condition of the customer, aging of the trade receivable and historical experience of collections from customers. The activity in the allowance for impairment of trade receivables is given below:				
Allowance Movement for Trade Receivables		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
		Rs.	Rs.	Rs.
Balance at the beginning of the year		62,43,148	1,17,26,253	Nil
Add : Allowance made during the year		25,35,415	-	1,17,26,253
Less : Reversal of allowance made during the year		Nil	54,83,105	Nil
Closing Balance		87,78,563	62,43,148	1,17,26,253
11 Cash & Cash Equivalents		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
		Rs.	Rs.	Rs.
Cash on hand		8,77,917	4,33,380	14,92,515
Balances with Bank - In Current Account		4,87,470	6,89,910	18,187
Total		13,65,387	11,23,290	15,10,702

Notes to financial statement for the year ended March 31, 2019				
12	Other Bank Balances	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	Fixed deposits with banks (with original maturity more than 3 months but less than 12 months)	24,513	24,513	22,899
	Total	24,513	24,513	22,899
13	Loans	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	Unsecured and considered good			
	Loans to Others	45,648	8,50,377	-
	Total	45,648	8,50,377	-
14	Other Current Financial Assets	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	Security Deposits	-	5,97,024	2,82,587
	Others	-	28,273	19,846
	Total	-	6,25,297	3,02,433
15	Other Current Assets	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	Advances to Suppliers	1,50,11,717	-	-
	Prepaid Expenses	2,03,190	32,888	78,049
	Advances to employees	3,47,000	-	3,000
	Balances with Statutory Authorities	28,50,416	13,03,712	26,50,370
	Total	1,84,12,322	13,36,600	27,31,419
16	Equity Share Capital	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	[i] Authorised Share Capital: 110,00,000 Equity shares of Rs. 10 each (as at March 31, 2018 : 110,00,000 equity shares of Rs. 10 each & as at April 01, 2017 : 45,00,000 equity shares of Rs. 10 each)	11,00,00,000	11,00,00,000	4,50,00,000
	[ii] Issued, Subscribed & Paid-up Capital : 1,02,43,425 equity shares of Rs. 10 each fully paid (as at March 31, 2018 : 1,02,43,425 equity shares of Rs. 10 each & as at April 01, 2017 : 40,97,370 equity shares of Rs. 10 each)	10,24,34,250	10,24,34,250	4,09,73,700
	Total	10,24,34,250	10,24,34,250	4,09,73,700

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of Shares	Amt (Rs.)	No. of Shares	Amt (Rs.)	No. of Shares	Amt (Rs.)
Shares at the beginning	1,02,43,425	10,24,34,250	40,97,370	4,09,73,700	30,05,370	3,00,53,700
Addition	Nil	Nil	61,46,055	6,14,60,550	10,92,000	1,09,20,000
Deletion	Nil	Nil	Nil	Nil	Nil	Nil
Shares at the end	1,02,43,425	10,24,34,250	1,02,43,425	10,24,34,250	40,97,370	4,09,73,700

Notes to financial statement for the year ended March 31, 2019				
(b) The details of shares held by Parent Company and shareholders holding more than 5% shares is set out below.				
Particulars		As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
Pritesh Y Shah	Nos. %	17,60,004 17.18	15,38,754 15.02	5,97,500 14.58
Pritesh Y Shah HUF	Nos. %	9,72,496 9.49	9,48,364 9.26	3,67,999 8.98
Yashvantbhai C Shah HUF	Nos. %	7,49,192 7.31	7,37,942 7.20	7,37,942 18.01
Yashvantbhai C Shah	Nos. %	6,03,850 5.90	6,03,850 5.90	2,41,540 5.90
Dimple P Shah	Nos. %	7,80,500 7.62	7,80,500 7.62	2,77,700 6.78
Lalit K Patel	Nos. %	10,53,750 10.29	10,53,750 10.29	7,50,000 18.30
(c) Rights, Preferences and Restrictions attached to equity shares				
The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, 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.				
(d) The Company has not reserved any share for issue under options and contracts or commitments for the sale of shares or disinvestment.				
(e) Details of shares issued pursuant to contract(s) without payment being received in cash or by way of bonus shares or equity shares bought back for the period of 5 years immediately preceding the balance sheet date:				
Particulars		As at March 31, 2018 Rs.	As at April 1, 2017 Rs.	
Shares issued for consideration other than cash		-	-	
Alloted as fully paid up by way of Bonus		61,46,055	-	
Shares Bought back		-	-	
17 Other Equity		As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
(a) Security Premium				
Balance as per last financial Statement		1,63,21,750	7,77,82,300	7,77,82,300
Add : Received during the year		-	-	-
Less: Utilised for issuance of bonus shares		-	6,14,60,550	-
Closing Balance		1,63,21,750	1,63,21,750	7,77,82,300
(b) Retained Earnings				
Profit and Loss:				
Balance as per last financial Statement		1,96,15,026	50,47,835	1,35,44,262
Add : Profit for the year		1,95,08,055	1,62,93,221	Nil
Less: Items of Profit and Loss recognised directly in retained earnings on account of transition		-	-	(84,96,427)
Less: Interim Dividend Paid		(15,17,813)	(14,34,080)	-
Less: Tax on Final Dividend		(3,18,284)	(2,91,950)	-
Net Surplus in the statement of profit and loss (i)		3,72,86,983	1,96,15,026	50,47,835
Other Comprehensive Income				
Balance as per last financial Statement		(16,46,177)	-	-
Less: Remeasurement of Defined benefit plans (including deferred tax)		1,18,51,617	(16,46,177)	-
Less : Deferred Tax Asset on above		-	-	-
Net Surplus in the statement of other comprehensive income(ii)		1,02,05,440	(16,46,177)	-
Total Retained Earnings (I + ii + iii)		4,74,92,423	1,79,68,848	50,47,835
Total (a + B + c)		6,38,14,173	3,42,90,598	8,28,30,135
Equity Security Premium: The amount received in excess of face value of the equity shares is recognised in equity security premium. Being realised in cash, the same can be utilised by the company for issuance of bonus shares and writing of share issue expenses.				
Retained earnings: Retained earnings can be utilised by the company for distribution to its equity shareholders of the company. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.				

Notes to financial statement for the year ended March 31, 2019					
18	Non-Current Borrowings	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.	
	Secured Borrowing from Banks				
	Vehicle Loan	-	-	1,34,371	
	Less : Current maturities of long-term debt (disclosed under other current financial liabilities)	-	-	1,34,371	
	Net Outstanding	-	-	-	
	Unsecured Borrowing from Banks				
	Business Loan	-	-	8,17,601	
	Less : Current maturities of long-term debt (disclosed under other current financial liabilities)	-	-	8,17,601	
	Net Outstanding	-	-	-	
	Total	-	-	-	
<p>Vehicle loan from bank is secured against respective vehicle and payable as per agreed repayment schedule within 12 monthly installments.</p> <p>Business loan is unsecured and payable as per agreed repayment schedule within 12 monthly installments.</p>					
19	Non-Current Provisions	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.	
	Provisions for employee benefits				
	For unavailed leave	-	-	-	
	For Gratuity	6,65,669	-	-	
	Total	6,65,669	-	-	
20	Current Borrowings	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.	
	Secured Borrowing (Repayable on Demand)				
	From Banks (Cash Credit)	1,09,12,453	1,76,32,683	2,23,81,295	
	Unsecured Deposits (Repayable on Demand)				
	Inter-corporate deposits	18,90,210	17,67,417	16,53,824	
	Unsecured Borrowing (From NBFCs)				
	From Others	-	-	45,00,000	
	Total	1,28,02,663	1,94,00,100	2,85,35,119	
	<p>Notes:</p> <p>i) Cash Credit facility availed from Bank is secured by Charge on Current Assets, Fixed deposits, and Equitable mortgage of Residential Bungalows & personal guarantee of Directors Mr. Pritesh Y Shah and Yashwant C Shah.</p> <p>ii) Unsecured Borrowing from Non-banking Financial Institutions (NBFCs) is repayable as per agreed repayment schedule within a period of 12 months.</p>				

Notes to financial statement for the year ended March 31, 2019				
21	Trade payables	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	Payable to Micro and Small Enterprise	3,71,20,983	Nil	Nil
	Payable to others	17,65,02,317	19,51,21,653	25,56,64,245
	Total	21,36,23,300	19,51,21,653	25,56,64,245
i	Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management. This has been relied upon by the Auditors.			
22	Other Current Financial Liabilities	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	Current Maturity of non-current borrowings	-	-	9,51,972
	Total	-	-	9,51,972
23	Other Current Liabilities	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	Advance received from customers	1,83,92,299	768	Nil
	Tax on Dividend	-	-	-
	Other Statutory dues	6,25,819	4,78,987	24,83,641
	Total	1,90,18,118	4,79,755	24,83,641
24	Current Provisions	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	Provisions for Gratuity	7,25,892	-	-
	Provisions for Expenses	5,990	-	-
	Total	7,31,882.00	-	-
25	Current Tax Liabilities (Net)	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
	Provision For Income tax	80,00,000	61,56,000	28,78,000
	Less: Advance Payment of Income Tax	(64,80,311)	(44,00,042)	(22,79,715)
	Total	15,19,689	17,55,958	5,98,285

Notes to financial statement for the year ended March 31, 2019

26	Revenue from operation	Year Ended	Year Ended
		March 31, 2019	March 31, 2018
		Rs.	Rs.
	Sale of Product		
	Stock-in-trade	91,99,71,555	84,66,74,471
	Sale of services		
	Commission Income	25,04,763	0
	Total	92,24,76,318	84,66,74,471
27	Other Income	Year Ended	Year Ended
		March 31, 2019	March 31, 2018
		Rs.	Rs.
	Interest Income From Bank	50,301	2,033
	Foreign Exchange Gain	5,43,435	4,22,947
	Discount Income	2,33,930	18,05,188
	Balances written Off	-	64,50,637
	Consulting Income	10,00,000	-
	Speculation Income	32,993	-
	Miscellaneous income	-	3,77,871
	Total	18,60,659	90,58,675
28	Change In Inventories Of Finished Goods, Work In Progress And Stock In Trade	Year Ended	Year Ended
		March 31, 2019	March 31, 2018
		Rs.	Rs.
	Inventory at the beginning of the year		
	Stock in Trade	3,14,01,074	2,93,19,959
	Opening Stock	3,14,01,074	2,93,19,959
	Inventory at the end of the year		
	Stock in Trade	6,05,66,210	3,14,01,074
	Closing Stock	6,05,66,210	3,14,01,074
	Decretion / (Accretion) to Stock	(2,91,65,136)	(20,81,115)
29	Employee Benefit Expense	Year Ended	Year Ended
		March 31, 2019	March 31, 2018
		Rs.	Rs.
	Salary, Wages & Bonus Expenses	18,00,446	17,04,955
	Directors Remuneration	32,57,020	28,36,438
	Gratuity Expenses	13,91,561	-
	Total	64,49,027	45,41,393
30	Finance Costs	Year Ended	Year Ended
		March 31, 2019	March 31, 2018
		Rs.	Rs.
	Interest Paid to Bank	2,75,676	22,25,135
	Interest Paid to Others	3,83,304	5,75,675
	Other borrowing cost	88,820	-
	Total	7,47,800	28,00,810
31	Depreciation And Amortisation Expense	Year Ended	Year Ended
		March 31, 2019	March 31, 2018
		Rs.	Rs.
	Depreciation on Property, Plant & Equipment	2,33,032	3,03,268
	Total	2,33,032	3,03,268

Notes to financial statement for the year ended March 31, 2019			
32	Other Expenses	Year Ended March 31, 2019	Year Ended March 31, 2018
		Rs.	Rs.
	Direct Expenses		
	Custom Duty & Custom charges	34,52,007	31,27,097
	Shipping Line Charges	10,47,590	8,03,389
	Other Chrges for Import	5,21,404	7,85,930
	Transportation Expenses	18,75,618	21,34,152
	Indirect Expenses		
	Advertisement Expenses	28,431	26,024
	Auditor's Remuneration	90,000	90,000
	Commission Paid	74,277	63,013
	Computer Expenses	19,100	68,250
	Courier Charges	37,278	10,575
	CDSL, NSDL Depository Charges	1,72,500	10,350
	Legal Expenses	96,912	-
	Director Sitting Fees	57,500	52,000
	Electricity Charges	1,06,470	67,550
	BSE listing fees	7,66,601	46,272
	Insurance Charges	81,920	2,87,658
	Labour chages	-	2,900
	Municipal Taxes	24,130	27,183
	Office Expenses	1,200	29,921
	Other Expenses	23,17,807	10,36,054
	Professional Fees	6,31,600	1,37,000
	Telephone Expenses	86,557	9,357
	Travelling Expenses	69,344	-
	Vehicle Exp. (Car)	-	14,850
	Warehouse Expenses	6,15,192	7,65,061
	Vat Expenses	2,13,970	-
	WEB Site Exp	18,000	-
	Penalty on TDS Return	-	1,600
	Late Fee on GST	750	800
	Bonus Issue Exp	Nil	1,93,412
	Reversal of expected credit losse allowance	(1,59,775)	(54,83,105)
	Donation	1,11,111	-
	Stationery Expenses	32,300	-
	Total	1,23,89,794	43,07,293
33	Income tax recognised in profit or loss	Year Ended March 31, 2019	Year Ended March 31, 2018
		Rs.	Rs.
	Current tax:		
	In respect of the current year	80,00,000	61,56,000
	In respect of the prior year	16,520	Nil
	Sub-Total (i)	80,16,520	61,56,000
	Deferred tax:		
	In respect of the current year	(34,619)	12,42,960
	Sub-Total (ii)	(34,619)	12,42,960
	Total (I + ii)	79,81,901	73,98,960

Notes to financial statement for the year ended March 31, 2019

Income tax reconciliation			
Particulars	Year Ended	Year Ended	
	March 31, 2019	March 31, 2018	
	Rs.	Rs.	
Profit before tax	2,74,89,956	2,36,92,180	
Tax expenses reported during the year	79,81,901	73,98,960	
Income tax expenses calculated at effective tax rate	76,47,706	78,33,346	
Difference	3,34,195	(4,34,386)	
Permanent disallowances	208	6,647	
Other deductible expenses	-	-	
Income not taxable under Income tax	-	-	
Effect of deferred tax balances due to change in tax rate	-	(7,762)	
Effect of change in deferred tax balances due to transition	3,87,132	(4,58,638)	
Adjustment of current tax of prior years	16,520	-	
Other Items	(69,665)	25,367	
Total	3,34,195	(4,34,386)	
34	Statement of Other Comprehensive Income	Year Ended	Year Ended
		March 31, 2019	March 31, 2018
		Rs.	Rs.
(i) Items that will not be reclassified to profit and loss			
Remeasurement of defined benefit plans			
Actuarial gain / (loss)	-	-	
Equity instruments through other Comprehensive Income			
Fair Valuation Gain / (loss) of Equity Shares	1,65,69,374	(24,30,499)	
(ii) Income tax relating to these items that will not be reclassified to profit and loss			
Deferred tax impact on actuarial gain / (loss)	-	-	
Deferred tax impact on Fair Valuation Gain / (loss) of Equity Shares	(47,17,757)	7,84,322	
Total	1,18,51,617	(16,46,177)	

Notes to financial statement for the year ended March 31, 2019

35 Capital Commitment

Details of outstanding capital commitments are as under:

Particulars	As at	As at	As at
Estimated amount of contracts remaining to be executed on capital account and not provided for	10,52,296	10,52,296	10,52,296
Remaining outstanding commitment	10,52,296	10,52,296	10,52,296

36 Contingent Liabilities

Details of contingent liabilities are as under:

Particulars	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
Outstanding Tax Matters:	1,38,25,770	Nil	Nil

37 Details of Employee Benefits:

(b) Defined Benefit Plan - Gratuity:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded.

The following table summarizes the components of net benefit expense recognized in the Statement of Profit and Loss and the

A. Expenses Recognized during the period

Particulars	Year Ended March 31, 2019 Rs.
In Income Statement	13,91,561
In Other Comprehensive Income	-
Total Expenses Recognized	13,91,561

A1. Expenses Recognized in the Income Statement

Particulars	Year Ended March 31, 2019 Rs.
Current Service Cost	13,91,561
Expenses Recognized in the Statement of Profit and Loss	13,91,561

Details of outstanding capital commitments are as under:

Fair value of plan assets	-
Surplus / (Deficit)	(13,91,561)
Net (Liability) recognized in the Balance sheet	13,91,561
Current Liability	7,25,892
Non-current Liability	6,65,669

B1. Changes in the Present value of Obligation

Particulars	As at March 31, 2019 Rs.
Present Value of Obligation as at the beginning	-
Current Service Cost	13,91,561
Interest Expense or Cost	-
Re-measurement (or Actuarial) (gain) / loss :	-
Past Service Cost	-
Benefits Paid	-
Present Value of Obligation as at the end of the year	13,91,561

Particulars	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
Expected rate of salary increase			7.00% p.a.
Expected Return on Plan Assets			Not Applicable
Mortality			Indian Assured Lives Mortality (2006-08) Ultimate
Rate of Employee Turnover			10.00% p.a at younger ages reducing to 2.00% p.a at older ages
Retirement Age			60 Years

D. Sensitivity Analysis

Particulars	Year Ended March 31, 2019
Defined Benefit Obligation (Base)	13,91,561

Particulars	Year Ended March 31, 2019	
	Decrease	Increase
Discount Rate (- / + 0.5%)	39,518	(36,510)
Salary Growth Rate (- / + 0.5%) (% change compared to base due to sensitivity)	(15,207)	27,405
Attrition Rate (W.R. x 90% / W.R. x 110%)	(12,819)	11,929

Details of outstanding capital commitments are as under:

E. Maturity Profile of Project Benefit Obligation

Particulars	As at March 31, 2019
Weighted average duration (based on discounted cash flows)	10
Expected cashout flows over the next (valued on undiscounted basis):	
	As at March 31, 2019 Rs.
1 year	7,25,892
2 to 5 years	2,36,936
6 to 10 years	2,91,070

E. Characteristics of defined benefit plans and risks associated with them:

Valuation of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory

(i) Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

(ii) Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(iii) Liquity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

(iv) Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(v) Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

38 Segment Reporting

In accordance with Accounting Standard Ind As 108 'Operating Segment', segment information has been given in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

Notes to financial statement for the year ended March 31, 2019

39 Fair Value Measurements								
Financial instrument by category and their fair value (Amt in Rs.)								
As at 31st March, 2019	Carrying Amount				Fair Value (only those items which are recognised at FVTPL / FVTOCI)			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments - Non Current	Nil	3,38,15,600	4,83,65,000	8,21,80,600	3,38,15,600	Nil	Nil	3,38,15,600
Loans - Non Current	Nil	Nil	1,80,000	1,80,000	Nil	Nil	Nil	Nil
Trade Receivables	Nil	Nil	25,07,29,600	25,07,29,600	Nil	Nil	Nil	Nil
Cash and Cash Equivalents	Nil	Nil	13,65,387	13,65,387	Nil	Nil	Nil	Nil
Other Bank Balances	Nil	Nil	24,513	24,513	Nil	Nil	Nil	Nil
Loans - Current	Nil	Nil	45,648	45,648	Nil	Nil	Nil	Nil
Other Current Financial Assets	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Financial Assets	Nil	3,38,15,600	30,07,10,148	33,45,25,748	3,38,15,600	Nil	Nil	3,38,15,600
Financial Liabilities								
Current Borrowings	Nil	Nil	1,28,02,663	1,28,02,663	Nil	Nil	Nil	Nil
Trade Payables	Nil	Nil	21,36,23,300	21,36,23,300	Nil	Nil	Nil	Nil
Other Current Financial Liability	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Financial Liabilities	Nil	Nil	22,64,25,963	22,64,25,963	Nil	Nil	Nil	Nil

(Amt in Rs.)

As at 31st March, 2018	Carrying Amount				Fair Value (only those items which are recognised at FVTPL / FVTOCI)			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments - Non Current	Nil	75,69,501	2,12,90,000	2,88,59,501	75,69,501	Nil	Nil	75,69,501
Loans - Non Current	Nil	Nil	1,50,000	1,50,000	Nil	Nil	Nil	Nil
Trade Receivables	Nil	Nil	28,31,10,029	28,31,10,029	Nil	Nil	Nil	Nil
Cash and Cash Equivalents	Nil	Nil	11,23,290	11,23,290	Nil	Nil	Nil	Nil
Other Bank Balances	Nil	Nil	24,513	24,513	Nil	Nil	Nil	Nil
Loans - Current	Nil	Nil	8,50,377	8,50,377	Nil	Nil	Nil	Nil
Other Current Financial Assets	Nil	Nil	6,25,297	6,25,297	Nil	Nil	Nil	Nil
Total Financial Assets	Nil	75,69,501	30,71,73,506	31,47,43,007	75,69,501	Nil	Nil	75,69,501
Financial Liabilities								
Current Borrowings	Nil	Nil	1,94,00,100	1,94,00,100	Nil	Nil	Nil	Nil
Trade Payables	Nil	Nil	19,51,21,653	19,51,21,653	Nil	Nil	Nil	Nil
Other Current Financial Liability	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Financial Liabilities	Nil	Nil	21,45,21,753	21,45,21,753	Nil	Nil	Nil	Nil

Notes to financial statement for the year ended March 31, 2019

(Amt in Rs.)

As at April 01, 2017	Carrying Amount				Fair Value (only those items which are recognised at FVTPL / FVTOCI)			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments - Non Current	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Loans - Non Current	Nil	Nil	1,50,000	1,50,000	Nil	Nil	Nil	Nil
Trade Receivables	Nil	Nil	37,13,50,317	37,13,50,317	Nil	Nil	Nil	Nil
Cash and Cash Equivalents	Nil	Nil	15,10,702	15,10,702	Nil	Nil	Nil	Nil
Other Bank Balances	Nil	Nil	22,899	22,899	Nil	Nil	Nil	Nil
Loans - Current	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other Current Financial Assets	Nil	Nil	3,02,433	3,02,433	Nil	Nil	Nil	Nil
Total Financial Assets	Nil	Nil	37,33,36,351	37,33,36,351	Nil	Nil	Nil	Nil
Financial Liabilities								
Current Borrowings	Nil	Nil	2,85,35,119	2,85,35,119	Nil	Nil	Nil	Nil
Trade Payables	Nil	Nil	25,56,64,245	25,56,64,245	Nil	Nil	Nil	Nil
Other Current Financial Liability	Nil	Nil	9,51,972	9,51,972	Nil	Nil	Nil	Nil
Total Financial Liabilities	Nil	Nil	28,51,51,336	28,51,51,336	Nil	Nil	Nil	Nil
<p>The above fair value hierarchy explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost for which fair values are disclosed in the financial statements. To provide the indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments in to three levels prescribed is as under:</p> <p>Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities</p> <p>Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)</p> <p>Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)</p> <p>There were no transfers between the levels during the year</p>								
<p>Valuation process</p> <p>The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The fair valuation of level 1 and level 2 classified assets and liabilities are readily available from the quoted prices in the open market and rates available in secondary market respectively.</p> <p>The carrying amount of trade receivable, trade payable, cash and bank balances, short term loans and advances, statutory dues payable / receivable, short term borrowing, employee dues are considered to be the same as their fair value due to their short-term nature.</p>								

40 Financial risk management

The Company's activities expose it to a variety of financial risks, including credit risk, market risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

The Company's risk management is governed by policies and approved by the board of directors. The Company identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Company has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

I Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The history of trade receivables shows a negligible provision for bad and doubtful debts. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments. The company has adopted simplified approach of FCI model for impairment

i) Trade Receivables:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Company with various activities as mentioned above manages credit risk. An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The Company does not hold collateral as security.

ii) Financial assets that are neither past due nor impaired

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's assessment of credit risk about particular financial institution. None of the Company's cash equivalents, including term deposits (i.e., certificates of deposit) with banks, were past due or impaired as at each balance sheet date.

II Liquid Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The level of liquidity risk is very low considering the fact that the company relies on operating cash flows and owned equity. Currently the company has borrowed funds from bank mainly for day to day business needs (i.e. Cash Credit Facilities are being availed by the company). There are no long term loans the company has borrowed yet which clearly states that the company doesnot have any long term fixed commitment to the banks in terms of borrowing.

Further the Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring the forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The promoters of the Company believe in equity funding rather than relying on borrowed funds. The tables below analyze the company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to financial statement for the year ended March 31, 2019

(Amt in Rs.)

Contractual maturities of financial liabilities as at March 31, 2019	Carrying Amount	Contractual Cash Flows				
		On demand or within 1 year	Over 1 year within 2 years	Over 3 years within 5 years	Over 5 years	Total
Current Borrowings	1,28,02,663	1,28,02,663	Nil	Nil	Nil	1,28,02,663
Trade Payables	21,36,23,300	21,36,23,300	Nil	Nil	Nil	21,36,23,300
Other Current	-	Nil	Nil	Nil	Nil	-
Total	22,64,25,963	22,64,25,963	Nil	Nil	Nil	22,64,25,963

(Amt in Rs.)

Contractual maturities of financial liabilities as at March 31, 2018	Carrying Amount	Contractual Cash Flows				
		On demand or within 1 year	Over 1 year within 2 years	Over 3 years within 5 years	Over 5 years	Total
Current Borrowings	1,94,00,100	1,94,00,100	Nil	Nil	Nil	1,94,00,100
Trade Payables	19,51,21,653	19,51,21,653	Nil	Nil	Nil	19,51,21,653
Other Current	Nil	Nil	Nil	Nil	Nil	Nil
Total	21,45,21,753	21,45,21,753	Nil	Nil	Nil	21,45,21,753

(Amt in Rs.)

Contractual maturities of financial liabilities as at April 1, 2017	Carrying Amount	Contractual Cash Flows				
		On demand or within 1 year	Over 1 year within 2 years	Over 3 years within 5 years	Over 5 years	Total
Current Borrowings	2,85,35,119	2,85,35,119	Nil	Nil	Nil	2,85,35,119
Trade Payables	25,56,64,245	25,56,64,245	Nil	Nil	Nil	25,56,64,245
Other Current	9,51,972	9,51,972	Nil	Nil	Nil	9,51,972
Total	28,51,51,336	28,51,51,336	Nil	Nil	Nil	28,51,51,336

III Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and commodity risk.

a) Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company's foreign exchange risk arises from its foreign currency purchase of Stock-in-trade, (primarily in USD). A significant portion of the Company's purchases are in foreign currencies, while its revenue are in Indian Rupees. As a result, if the value of the Indian rupee depreciates relative to these foreign currencies, the Company's purchase costs measured in Indian Rupees may increase. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. As of March 31, 2019, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in foreign currency risk.

i) The following table analyses foreign currency risk from non-derivative financial instruments as at each balance sheet date

Particulars	Currency	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
Trade Payables	USD	1,65,864	61,259	3,93,255
	INR	1,14,73,003	39,84,533	2,54,98,127

Notes to financial statement for the year ended March 31, 2019

ii) Foreign Currency Risk Sensitivity

The sensitivity of profit or loss due to changes in the exchange rates arises mainly from non-derivative foreign currency denominated financial instruments (mainly financial instruments denominated in USD currency). The same is summarized as below:

<u>Particulars</u>	Impact on Profit before tax			
	Year Ended March 31, 2019 Rs.		Year Ended March 31, 2018 Rs.	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	(5,73,650)	5,73,650	(1,99,227)	1,99,227
Total	(5,73,650)	5,73,650	(1,99,227)	1,99,227

b) Interest Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates related primarily to the Company's short-term borrowings with floating interest rates. Company's treasury department monitors the interest rate movement and manages the interest rate risk based on its policies.

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

i) Exposure to interest rate risk

<u>Particulars</u>	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
Fixed Rate Borrowings	18,90,210	17,67,417	61,53,824
Variable Rate Borrowings	1,09,12,453	1,76,32,683	2,23,81,295
Total	1,28,02,663	1,94,00,100	2,85,35,119

For details of the Company's short-term and long term loans and borrowings, including interest rate profiles, refer to Note 18 and 20 of these financial statement.

ii) Interest Rate Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. The below sensitivity does not include the impact of interest rate swap contracts which largely mitigate the risk.

<u>Particulars</u>	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2019 Rs.
50bp increase would decrease the profit before tax by	(54,562)	(88,163)
50bp decrease would increase the profit before tax by	54,562	88,163

c) Price Risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of active chemical products. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Company's stock generally fluctuate in line with commodity cycles. Purchase Cost of the products form the largest portion of the Company's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2019, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

Notes to financial statement for the year ended March 31, 2019

41 Capital Management:

The Company's capital management is intended to maximise the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Company; and reduce the cost of capital through the optimization of the capital structure i.e. the debt and equity balance.

The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
Debt	1,28,02,663	1,94,00,100	2,85,35,119
Cash and bank balances	13,89,900	11,47,803	15,33,601
Net debt	1,14,12,763	1,82,52,297	2,70,01,518
Equity	16,62,48,423	13,67,24,848	12,38,03,835
Net debt to equity ratio	6.86%	13.35%	21.81%

42 Details of Payment to Auditors

Particulars	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
Payment to auditors:		
As auditor:		
Audit fee	75,000	75,000
Taxation matters	15,000	15,000
Company law matters	Nil	Nil
Total	90,000	90,000

Notes to financial statement for the year ended March 31, 2019

43 Transition to Ind-AS

These financial statements, for the year ended March 31, 2019, are the first financial statements of the Company being prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Company has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013 read together with relevant rules of the Companies (Accounts) Rules, 2014 (Indian GAAP). Therefore, comparative information is reclassified / restated so as to comply with Ind AS.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2019, together with the comparative period data as at and for the year ended March 31, 2018, as described in the summary of significant accounting policies. The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2017 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance sheet, Statement of Profit and Loss, is set out here-in-after.

However, this principle is subject to the certain mandatory exceptions and optional exemptions availed by the Company in line with principles of Ind AS 101 as detailed below:

43.1 Exemptions and exceptions availed

I Optional exemptions

1 Property, Plant and Equipment (PPE) :

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

II Mandatory Exceptions

1 Estimates

The estimates as at April 1, 2017 and as at March 31, 2018 are consistent with those made for the same dates in accordance with the Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the impairment of financial assets based on the risk exposure and application of ECL model where application of Indian GAAP did not require any estimation.

The estimates used by the Company to present these amounts in accordance with Ind AS, reflect conditions at April 1, 2017, the date of transition to Ind AS and as at March 31, 2018.

2 Classification and measurement of financial assets

Ind AS 101 provides exemptions to certain classification and measurement requirements of financial assets under Ind AS 109, where these are impracticable to implement. Classification and measurement is done on the basis of facts and circumstances existing as on the transition date. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the transition date.

3 De-recognition of financial assets and liabilities:

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Notes to financial statement for the year ended March 31, 2019

43.2 Reconciliation of Equity			
(Amount in Rs.)			
Particulars	Footnote Reference	As at March 31, 2018	As at April 01, 2017
Total Equity (Shareholder's Fund) as per previous GAAP		14,26,09,355	13,23,00,262
Add / (Less): Ind AS Adjustments			
Allowance for Expected Credit Loss on trade receivable	1	(62,43,168)	(1,17,26,253)
Changes in Fair Value of Non-Current Investment classified through FVTOCI	2	(24,30,499)	-
Adjustment to Deferred Tax	3	27,89,160	32,29,826
Total Equity as per Ind AS		13,67,24,848	12,38,03,835

43.3 Reconciliation of total comprehensive income for the year ended March 31, 2018			
(Amount in Rs.)			
Particulars	Footnote Reference	As at March 31, 2018	
Profit after tax as per previous GAAP		1,20,35,121	
Add / (Less): Ind AS Adjustments:			
Reversal of Provision of Expected Credit Loss on trade receivable	1	54,83,105	
Adjustment to Deferred Tax	3	(12,25,005)	
Profit after tax as per Ind As		1,62,93,221	
Other Comprehensive Income (net of tax)	2	(16,46,177)	
Total Comprehensive income for the period under Ind As		1,46,47,043	

Footnotes:

- 1 Provision of Expected Credit Loss on trade receivable**
Under previous GAAP, provisions were made for specific receivables if collection was doubtful. Under Ind AS 109, the Company has applied expected credit loss model for recognising impairment of financial assets. Under expected credit loss model, the company has adopted simplified approach (provision matrix).

- 2 Change in fair value of non-current investments classified through FVTOCI**
Under previous GAAP, the long-term investments were measured at cost less permanent diminution in value, if any. Ind AS requires all investments to be measured at fair value at the reporting date and all changes in the fair value subsequent to the transition date to be recognised either in the Statement of profit and loss or Other Comprehensive Income based on the category in which they are classified. Details of such classification are stated as under:
 1. Investment in Subsidiary: Amortised Cost (availing exemption given under Ind-AS 101 as stated above),
 2. Investment in Other Entities: Fair Value through Other Comprehensive Income.

Accordingly, at each reporting date, the company has adjusted change in fair value of investments in other entities in "Other Comprehensive Income". The impact of tax on the same is also adjusted to "Other Comprehensive Income" only.

- 3 Deferred Tax Adjustments:**
Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS which mainly includes expected credit loss allowance and employee benefit obligations. Further under Ind AS, the company has also recognised deferred tax asset on previously unrecognised tax losses and unutilised tax credits.

- 4 Excise Duty**
Under previous GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss.

- 5 Retained Earnings**
Retained earnings as at April 1, 2017 has been adjusted consequent to the above Ind AS transition adjustments.

Notes to financial statement for the year ended March 31, 2019

44 Earnings Per Share (EPS)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
	Rs.	Rs.
Net Profit / (Loss) for calculation of basic / diluted EPS	1,95,08,055	1,62,93,221
Weighted Average Number of Equity Shares in calculating Basic and Diluted EPS	1,02,43,425	1,02,43,425
Basic and Diluted Earnings/(Loss) Per Share	1.90	1.59
Nominal Value of Equity Shares	10	10

45 Related Parties Disclosures

(i) List of related parties:

Name of related party	Nature of relationship
Yasons Chemex Care Limited	Subsidiary Company
Yash Chem	Controlled by Key Managerial Persons
Yashwantlal C. Shah HUF	Controlled by Key Managerial Persons
Pritesh Shah HUF	Controlled by Key Managerial Persons
Pritesh Yashwantbhai Shah	Key Managerial Person (Managing Director)
Yashwant C. Shah	Key Managerial Person (Wholetime Director)
Dimple Pritesh Shah	Key Managerial Person (Director)
Jinal Dineshbhai Shah	Key Managerial Person (Independent Director)
Angee Shah	Key Managerial Person (Independent Director)
Vrusha Patel	Key Managerial Person (Independent Director)
Kiritkumar Shah	Key Managerial Person (Chief Financial Officer)
Chandrakant Y. Shah	Relative of Key managerial person
Paxal P. Shah	Relative of Key managerial person

(ii) Transactions during the period and balances outstanding with related parties are as under:

Transactions with related parties during the year:

Name of related party	Nature of Transaction	Year ended March 31, 2019	Year ended March 31, 2018
		Rs.	Rs.
Yasons Chemex Care Limited	Sale of products	11,85,69,772	3,86,92,035
	Investment in equity shares	2,70,75,000	2,12,90,000
Yash Chem	Purchase of goods	12,00,72,112	12,32,99,113
Pritesh Yashwantbhai Shah	Director remuneration	18,94,520	14,00,000
Yashwant C. Shah	Director remuneration	13,00,000	9,50,000
Dimple Pritesh Shah	Director remuneration	Nil	4,15,890
Raj Shah	Director remuneration	62,500	70,548
Jinal Dineshbhai Shah	Director's Sitting Fees	Nil	15,000
Angee Shah	Director's Sitting Fees	37,500	12,500
Vrusha Patel	Director's Sitting Fees	20,000	12,000
Pritesh Shah HUF	Loan given	28,00,000	Nil
	Loan repaid by the party	28,00,000	Nil

Notes to financial statement for the year ended March 31, 2019

Balances outstanding at each reporting date:

Name of party	Nature of Amount	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.	As at April 1, 2017 Rs.
Yasons Chemex Care Limited	(Advance from Customers) / Receivables	(1,83,92,299)	1,018	Nil
Y. C. Shah	Advance to Employees / (Employees Payables)	1,62,000	(37,81,000)	(29,35,000)
Raj Shah	Employees Payables	(1,14,750)	(2,04,750)	(2,04,750)
Yash Chem	Advance to Suppliers / (Trade Payable)	99,18,428	Nil	(2,04,96,254)

Note: Figures in bracket denotes credit balance.

46 Revenue from operation upto June 30, 2017 was reported inclusive of excise duty which is now subsumed in Goods and Services Tax (GST). Accordingly, figures of revenue from operations and excise duty expenses for the year ended March 31, 2019 are not comparable with the figures of the previous year.

47 Subsequent Events:

Subsequent to Balance Sheet Date, there are no events occurred which require disclosure or adjustments in the financial statements.

48 Previous Periods' / Years' figures have been re-grouped / Re-Classified where necessary to make it comparable with the current period.

**In terms of our report attached.
For, Harshad Sudhir & Co.,
Chartered Accountants
Firm Regd. No.129775W**

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantlal C. Shah
Whole Time Director
(DIN: 01002342)

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

Kiritbhai H. Shah
Chief Financial Officer

Aesha Mashru
Company Secretary

Place : Ahmedabad
Date : 28.05.19

Place: Ahmedabad
Date : 28.05.19

INDEPENDENT AUDITOR'S REPORT

To the Members of

YASH CHEMEX LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of **Yash Chemex Limited** (the 'Holding Company'), and its subsidiary (the holding company and its subsidiary together referred to as "the Group"), which comprising of the consolidated Balance Sheet as at March 31, 2019, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ('Ind AS'), other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit and total comprehensive income, the consolidated statement of changes in equity and their consolidated cash flows for the year then ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Information Other than the Financial Statements and Auditors Report Thereon

The Holding Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report (but does not include the consolidated financial statements and our auditor's reports thereon).

Our opinion on the consolidated financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and accounting principles generally accepted in India. The responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively or ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:-

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion.
- Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit.
- (b) In our opinion, proper books of account as required by law relating to the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss including other comprehensive income, Consolidated Statement of changes in Equity and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended
- (e) On the basis of the written representations received from the directors of the Holding company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors who are appointed under section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the holding Company and its subsidiary company, refer to or separate report in "**Annexure A**" to this Report.
- (g) The provisions of Section 197 read with schedule V of the Act, are not applicable to the Holding company, Its Subsidiary for the year ended March 31, 2019.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rule, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the group in its consolidated financial statements – Refer Note 40 to the consolidated Financial Statements;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company and its Subsidiary during the year ended March 31, 2019.

**For, Harshad Sudhir & Co.
Chartered Accountants
FRN 129775W**

**CA. Sudhir Shah
Partner
Membership No. 115947**

**Place : Ahmedabad,
Date : 28/05/2019**

Annexure 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF YASH CHEMEX LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (1) OF SUB-SECTION 3 OF SEC.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, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and Its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 systems over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to these consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting with reference

to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to these consolidated financial statements

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

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to theses consolidated Financial Statements, 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 with reference to these consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies of procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to explanations given to us, the Holding Company and its subsidiary has, in all material respects, an adequate internal financial control system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as on March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

**For, Harshad Sudhir & Co.
Chartered Accountants
FRN 129775W**

**CA. Sudhir Shah
Partner
Membership No. 115947**

**Place : Ahmedabad,
Date : 28/05/2019**

Consolidated Balance Sheet as at March 31, 2019

Particulars		Note No.	As at March 31, 2019	As at March 31, 2018
A	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	5	55,52,576	33,48,141
	(b) Capital Work-in-progress	6	28,48,081	25,05,381
	(c) Financial assets			
	(i) Investments	7	3,38,15,600	75,69,501
	(ii) Loans	8	2,61,07,905	1,76,75,331
	(d) Deferred Tax Assets	9	-	28,11,213
	Total non - current assets		6,83,24,162	3,39,09,567
2	Current assets			
	(a) Inventories	10	6,74,56,152	4,31,92,520
	(b) Financial assets			
	(i) Trade receivables	11	33,69,70,470	32,39,58,045
	(ii) Cash and cash equivalents	12	59,35,575	26,45,700
	(iii) Other bank balances	13	24,513	24,513
	(iv) Loans	14	45,649	8,50,377
	(v) Other financial assets	15	16,754	6,25,297
	(c) Other current assets	16	2,77,70,934	35,18,498
	Total current assets		43,82,20,047	37,48,14,949
	Total assets (1+2)		50,65,44,208	40,87,24,516
B	EQUITY AND LIABILITIES			
1	EQUITY			
	(a) Equity share capital	17	10,24,34,250	10,24,34,250
	(b) Other equity	18	6,92,57,225	3,63,00,508
	Equity attributable to equity holders of the company		17,16,91,475	13,87,34,758
	(c) Non-controlling interest	19	7,51,39,846	3,80,93,123
	Total equity		24,68,31,321	17,68,27,882
	LIABILITIES			
2	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20	29,45,193	-
	(b) Provisions	21	6,65,669	-
	(c) Deferred tax liabilities (Net)	9	15,10,409	-
	Total non - current liabilities		51,21,271	-
3	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	22	1,28,02,663	1,94,00,100
	(ii) Trade payables	23	23,67,31,157	20,89,04,036
	(iii) Other financial liabilities	24	4,09,535	-
	(b) Other current liabilities	25	6,80,124	4,90,541
	(c) Provisions	26	7,31,882	-
	(d) Current tax liabilities (Net)	27	32,36,256	31,01,958
	Total current liabilities		25,45,91,617	23,18,96,634
	Total equity and liabilities (1+2+3)		50,65,44,208	40,87,24,516
	Summary of significant accounting policies	4		

In terms of our report attached.

For, Harshad Sudhir & Co.,

Chartered Accountants
Firm Regd. No.129775W

Sudhir S. Shah

Partner

M. No.115947

Place : Ahmedabad

Date : 28.05.19

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantlal C. Shah
Whole Time Director
(DIN: 01002342)

Kiritbhai H. Shah
Chief Financial Officer

Place: Ahmedabad

Date : 28.05.19

Aesha Mashru
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
I Revenue from operations	28	98,95,69,340	86,71,88,270
II Other income	29	41,31,731	1,04,68,665
III Total income (I + II)		99,37,01,071	87,76,56,935
IV EXPENSES			
(a) Cost of materials consumed	30	18,79,232	-
(b) Purchases of stock-in-trade	31	95,40,02,706	83,33,59,248
(c) Changes in inventories of finished goods and stock-in-trade	32	(2,38,96,317)	(1,38,72,561)
(d) Excise duty		-	1,64,33,720
(e) Employee benefit expense	33	71,25,979	48,47,393
(f) Finance costs	34	10,53,794	28,00,977
(g) Depreciation and amortisation expense	35	14,21,838	3,26,934
(h) Other expenses	36	1,52,04,494	54,88,062
Total expenses		95,67,91,726	84,93,83,774
V Profit/(loss) before tax (III- IV)		3,69,09,345	2,82,73,162
VI Tax expense			
(1) Current tax	37	1,13,01,810	75,02,000
(2) Deferred tax	37	(3,96,134)	12,09,908
Total tax expense		1,09,05,676	87,11,908
VII Profit/(loss) for the period (V-VI)		2,60,03,669	1,95,61,254
VIII Other comprehensive income			
(i) Items that will not be reclassified to profit or loss Equity instruments through other comprehensive income	38	1,65,69,374	(24,30,499)
(ii) Income tax relating to items that will not be reclassified to profit or loss	38	(47,17,757)	7,84,322
Total other comprehensive income		1,18,51,617	(16,46,177)
IX Total comprehensive income for the period (VII+VIII)		3,78,55,286	1,79,15,077
Profit for the year attributable to			
Equity holders of the company		2,29,41,197	1,83,03,131
Non-controlling interest		30,62,472	12,58,123
Other comprehensive income attributable to			
Equity holders of the company		1,18,51,617	(16,46,177)
Non-controlling interest		-	-
Total comprehensive income attributable to			
Equity holders of the company		3,47,92,814	1,66,56,953
Non-controlling interest		30,62,472	12,58,123
X Basic & diluted earnings per share of face value of Rs.10 each fully paid up			
(1) Basic		2.24	1.79
(2) Diluted		2.24	1.79

In terms of our report attached.

For, Harshad Sudhir & Co.,
Chartered Accountants
Firm Regd. No.129775W

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantlal C. Shah
Whole Time Director
(DIN: 01002342)

Sudhir S. Shah
Partner
M. No.115947

Kiritbhai H. Shah
Chief Financial Officer

Aesha Mashru
Company Secretary

Place : Ahmedabad
Date : 28.05.19

Place : Ahmedabad
Date : 28.05.19

Consolidated Statement of Cash Flows for the year ended March 31, 2019		
Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Cash flow from operating activities		
Profit before tax	3,69,09,345	2,82,73,162
Adjustments for :		
Depreciation and amortisation expense	14,21,838	3,26,934
Provision for expected credit loss	6,62,057	(53,74,680)
Finance costs	10,53,794	28,00,977
Short term capital gain on mutual fund	(19,523)	(7,196)
Discount Income	(4,89,613)	(22,13,295)
Balances written Off	-	(64,50,637)
Notional Gain on Fair Valuation of Unsecured Loan	(1,27,569)	-
Interest income	(19,05,301)	(9,96,720)
Operating profit before working capital changes	3,75,05,029	1,63,58,545
Changes in operating assets and liabilities:		
(Increase)/Decrease in inventories	(2,42,63,632)	(1,38,72,561)
(Increase)/Decrease in trade receivables	(1,36,74,482)	5,27,66,952
(Increase)/Decrease in other bank balance	-	(1,614)
(Increase)/Decrease in loans (current + noncurrent)	7,74,727	(8,50,376)
(Increase)/Decrease in other current financial assets	6,08,543	(3,22,864)
(Increase)/Decrease in other current assets	(2,42,52,436)	(7,87,079)
Increase/(Decrease) in trade payable	2,83,16,733	(3,80,96,279)
Increase/(Decrease) in other current financial liabilities	4,09,535	(9,51,972)
Increase/(Decrease) in other current liabilities	1,89,583	(19,93,100)
Increase/(Decrease) in Provisions (Current + Noncurrent)	13,97,551	-
Cash flow generated from operations	70,11,151	1,22,49,653
Direct taxes paid (net)	(1,11,67,512)	(49,98,327)
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A)	(41,56,361)	72,51,326
Cash flows from investing activities		
Purchase of property, plant and equipments	(39,68,973)	(27,67,887)
Interest received	19,05,301	9,96,720
Cash Outflow due to Investments made during the year (Including Mutual Funds)	(2,21,76,726)	(1,25,00,000)
Proceeds from sale of investments	1,25,19,523	25,07,197
Loans given (financial assets)	(84,02,573)	(1,75,25,332)
NET CASH FLOW FROM / (USED IN) IN INVESTING ACTIVITIES (B)	(2,01,23,448)	(2,92,89,302)
Cash flows from financing activities		
Finance costs paid	(10,38,224)	(28,00,977)
Proceeds from Non-current Borrowings	30,57,193	-
Repayment of Current borrowings	(65,97,437)	(91,35,019)
Proceeds from Issuance of Share Capital (including Security Premium)	3,39,84,250	3,68,35,000
Dividend Paid (including Dividend Distribution Tax)	(18,36,097)	(17,26,030)
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	2,75,69,684	2,31,72,974
NET INCREASED / (DECREASED) IN CASH AND CASH EQUIVALENTS (A + B + C)	32,89,875	11,34,998
Cash and cash equivalents at the beginning of the year	26,45,700	15,10,702
Cash and cash equivalents at the end of the year	59,35,575	26,45,700

Notes:

(i). The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 Cash Flow Statements specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(ii). Previous Period's / Year's figures have been re-grouped / Re-Classified where necessary to make it comparable with the current period.

In terms of our report attached.

For, Harshad Sudhir & Co.,
Chartered Accountants
Firm Regd. No.129775W

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantlal C. Shah
Whole Time Director
(DIN: 01002342)

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

Kiritbhai H. Shah
Chief Financial Officer

Aesha Mashru
Company Secretary

Place : Ahmedabad
Date : 28.05.19

Place: Ahmedabad
Date : 28.05.19

Consolidated Statement of Changes in Equity for the year ended on March 31, 2019

Equity Share Capital

Particulars	Note No.	Amount Rs.
Balance as on 1st April, 2017	17	4,09,73,700
Changes during the year		6,14,60,550
Balance as on 31st March, 2018	17	10,24,34,250
Changes during the year		Nil
Balance as on 31st March, 2019	17	10,24,34,250

Other Equity

Amount in Rs.

Particulars	Note No.	Reserves and Surplus		Security Premium	Non-Controlling Interest	Total
		Retained Earnings				
		Profit and Loss	Other Comprehensive Income			
Balance as at 1st April, 2017	18	50,47,835	-	7,77,82,300	-	8,28,30,135
Non-controlling interest due to formation of subsidiary		-	-	-	17,50,000	17,50,000
Profit for the year		1,83,03,131	-	-	12,58,123	1,95,61,254
Other comprehensive income for the year (net of Tax)		-	(16,46,177)	-	-	(16,46,177)
Payment of Interim Dividends		(14,34,080)	-	-	-	(14,34,080)
Tax on Dividends		(2,91,950)	-	-	-	(2,91,950)
Utilised for issuance of Bonus shares		-	-	(6,14,60,550)	-	(6,14,60,550)
Issuance of Equity Shares to Non-controlling Interest along with premium		-	-	-	3,50,85,000	3,50,85,000
Balance as at 31st March, 2018	18	2,16,24,935	(16,46,177)	1,63,21,750	3,80,93,123	7,43,93,632
Profit for the year		2,29,41,197	-	-	30,62,472	2,60,03,669
Other comprehensive income for the year (net of Tax)		-	1,18,51,617	-	-	1,18,51,617
Payment of Interim Dividends		(15,17,813)	-	-	-	(15,17,813)
Tax on Dividends		(3,18,284)	-	-	-	(3,18,284)
Issuance of Equity Shares to Non-controlling Interest along with premium		-	-	-	3,39,84,250	3,39,84,250
Balance as at 31st March, 2019	18	4,27,30,035	1,02,05,440	1,63,21,750	7,51,39,846	14,43,97,071

In terms of our report attached.

For, Harshad Sudhir & Co.,
Chartered Accountants
Firm Regd. No.129775W

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantlal C. Shah
Whole Time Director
(DIN: 001002342)

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Aesha Mashru
Company Secretary

Notes to Consolidated Financial Statement for the year ended March 31, 2019**1. Corporate information:**

The consolidated financial statements relate to Yash Chemex Limited ("the Company") and its subsidiary "Yasons Chemex Care Limited". The company is a listed entity and incorporated on June 3, 2006 under the provisions of the Companies Act, 1956; having registered office at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad - 380015, Gujarat, India. The Company and its subsidiary constitute "the Group". Refer Note No. 48 for details of subsidiary consolidated in the financial statement. Till the year ended March 31, 2018; the group was operating into trading of chemical products. From the current year, the group started manufacturing of perfume products apart from trading of chemical products.

The Consolidated Financial Statements are approved for issue by the Company's Board of Directors on May 30, 2018.

2. Statement of compliance:

The Consolidated Financial Statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended read with Section 133 of the Companies Act, 2013.

Upto the year ended March 31, 2018, the group prepared its Consolidated Financial Statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with rules thereunder ('Indian GAAP' or 'previous GAAP'). The current Consolidated Financial Statements comprising of Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows as at March 31, 2019; have been prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. These are the Company's first Ind AS Consolidated Financial Statements.

The subsidiary of the company has been formed on October 17, 2017 and the company started consolidating the same from the year ended March 31, 2018 only. Previously the company, being single entity, was not required to prepare consolidated financial statement. Hence technically the company exists as on the transition date i.e. April 1, 2017 but does not require to prepare opening consolidated balance sheet on the said date. The company has restated the numbers for the year ended March 31, 2018 to Ind AS. Refer Note 47 for an explanation of the transition from previous GAAP to Ind AS.

3. Basis of preparation and principles of consolidation:**i) Basis of preparation:**

The Consolidated Financial Statements have been prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for the following where the fair valuation have been carried out in accordance with the requirements of respective Ind AS:

- a. Employee defined benefit plans – Plan assets - Note No. 41.
- b. Financial Instruments recognized at FVTPL or FVTOCI - Note No. 43.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Notes to Consolidated Financial Statement for the year ended March 31, 2019

ii) Principles of consolidation:

A. Subsidiaries are those entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

B. The group combines the financial statements of the parent and its subsidiaries line by line adding together the book value of like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

C. The Group considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- a. the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- b. potential voting rights held by the Company, other vote holders or other parties;
- c. rights arising from other contractual arrangements; and
- d. any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

D. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the noncontrolling interests even if this results in the non-controlling interests having a deficit balance.

E. The financial statements of the Company and its subsidiaries have been consolidated using uniform accounting policies.

4. Summary of significant accounting policies:

i) Use of estimates:

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. The estimates and assumptions used in the acGrouping financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the financial statements. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities in coming financial years are specified here-in-after:

Useful lives of property, plant and equipment

The Group is providing depreciation at the rates derived based on the useful life specified under Schedule-II to the Companies Act, 2013. The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Notes to Consolidated Financial Statement for the year ended March 31, 2019**Provisions and contingent liabilities**

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date, adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

Major provisions recognized in financial statement and related accounting policy are specified as under:

Measurement of defined benefit obligations - Refer Note 4(xiv), 21, 26 and 41.

Current / Deferred tax liabilities - Refer Note 4(xv), 9 and 27.

Allowances for expected credit losses - Refer Note 4(xi) and 11.

Other estimates:

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Group estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

ii) Revenue recognition:

The Group derives revenues primarily from business of trading of chemicals and related products.

For the comparative period (From April 1, 2017 to March 31, 2018), the Group has adopted Ind-AS 18 "Revenue Recognition" for recognition of revenue from sale of goods. Further from April 1, 2018; the Group adopted Ind-AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and / or revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.

Old Accounting Policy (As per Ind-AS 18 "Revenue Recognition" applicable from April 1, 2017 to March 31, 2018):

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of customers' return, trade / volume discounts, rebates, value added taxes, goods & service taxes and any other claims in respect of sale.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

New Accounting Policy (As per Ind-AS 115 "Revenue from Contracts with Customers" applicable from April 1, 2018 onwards) :

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Notes to Consolidated Financial Statement for the year ended March 31, 2019

In Group's case, transfer of control of promised products (i.e. delivery along with invoice) shall be the performance obligation which is generally satisfied in time. Hence in case where there is no uncertainty as to measurement or collectability of consideration, revenue is recognised as soon as the control of the products has been given. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Further in group's case, no element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the group.

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts / incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount / incentive.

Also, when the level of discount varies with increases in levels of revenue transactions, the Group recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount there of can not be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Group recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

The Group presents revenues net of indirect taxes in its statement of Profit and loss.

Other Income

Other income is comprised primarily of interest income, consulting income and exchange gain / loss on foreign currency receivables.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Consulting income is recognised when services have been provided to the customer and there is not significant uncertainty as to measurement or collectability of consideration.

iii) Property, Plant & Equipment:***Property, Plant & Equipment***

Freehold land is carried at historical cost. All other Property, Plant and Equipments are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Capital Work-in-progress

Properties in the course of construction (CWIP) for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Transition to Ind-AS:

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

iv) Depreciation on Property, Plant & Equipment:

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible property, plant and equipment is provided over the useful lives specified under Schedule II to the Companies Act, 2013.

The estimated useful lives are mentioned below:

Nature of Assets	Useful life
	(in Years)
Vehicles	8 & 10
Buildings	60
Office Equipments	5
Computers	3
Furniture & Fixtures	10

v) Intangible Assets and Amortization:

Intangible assets purchased are measured at cost or fair value as on the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets are amortised on a straight line basis over their estimated useful lives, commencing from the date the asset is available to the Group for its intended use.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any

vi) Impairment of Property, Plant & Equipment and intangible assets :

At the end of each reporting period, the Group reviews the carrying amounts of its Property, Plant & Equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Carrying amount equals to cost less accumulated depreciation and accumulated impairment losses recognised previously.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

vii) Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

viii) Inventories:***Finished Goods and Work-in-progress***

Work-in-progress and finished goods are valued at lower of cost or net realisable value. The cost of work-in-progress and finished goods of inventory is determined on weighted average basis. The cost of work-in-progress and finished goods includes cost of conversion and other costs incurred to bring the inventories to their present location and condition. Obsolete, slow moving and defective inventories are identified and provided for.

Stock in Trade

Being into the business of trading of chemicals and related products, Group carries "Stock in Trade" as its inventory. It is valued at lower of cost or net realisable value. Cost is determined on FIFO basis.

ix) Leases:

In respect of assets taken on lease, leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Group. All other leases are classified as operating leases.

Operating lease payments for lands are recognized as prepayments and amortised on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

x) Government Grants and Subsidies:

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

xi) Financial Instruments:

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

Financial Assets

a. Initial recognition and measurement

At initial recognition, the Group measures a financial asset (which are not measured at fair value) through profit or loss at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

b. Subsequent measurement

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

- i) Financial assets measured at amortised cost;
- ii) Financial assets at fair value through profit or loss (FVTPL) and
- iii) Financial assets at fair value through other comprehensive income (FVTOCI).

The Group classifies its financial assets in the above mentioned categories based on:

- a) The Group's business model for managing the financial assets, and
- b) The contractual cash flows characteristics of the financial asset.

i) Financial assets measured at amortised cost :

A financial asset is measured at amortised cost if both of the following conditions are met:

- a) A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the Contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- b) Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

ii) Financial assets at fair value through profit or loss (FVTPL):

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

iii) Financial assets at fair value through other comprehensive income (FVTOCI):

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by collecting both contractual cash flows that gives rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income. In addition, The Group may elect to designate a financial asset, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

Trade receivables, Advances, Security Deposits, Cash and Cash Equivalents etc. are classified for measurement at amortised cost.

c. Derecognition

Notes to Consolidated Financial Statement for the year ended March 31, 2019

The Group derecognizes a financial asset when contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the assets's carrying amount and the sum of the consideration received and receivable is recognized in the Statement of Profit and Loss.

d. Impairment

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables,
- ii. Financial assets measured at amortized cost (other than trade receivables and lease receivables),
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance. As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables.

In case of other assets (listed as ii and iii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

Financial Liabilities

a. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Notes to Consolidated Financial Statement for the year ended March 31, 2019

b. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- i) Financial liabilities measured at amortised cost.
- ii) Financial liabilities at fair value through profit or loss.

i) Financial liabilities measured at amortised cost :

All financial liabilities are measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

ii) Financial assets at fair value through profit or loss (FVTPL):

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such

c. Derecognition

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged or cancelled or expiry. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related

Notes to Consolidated Financial Statement for the year ended March 31, 2019**xii) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

xiii) Foreign currency Transactions

The functional currency of Yash Chemex Limited is Indian rupee.

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

xiv) Employee benefits**Short term employee benefits**

Short Term benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

Post employment benefits**a. Defined contribution plans**

As the Group does not meet the employees' threshold, currently the Group is not required to contribute towards any plan under any law for the time being in force. The Group shall start contributing as and when it is required by the law.

b. Defined benefit plans

The Liability for Gratuity to employees, which is a defined benefit plan (unfunded), as at Balance Sheet date determined on the basis of actuarial Valuation based on Projected Unit Credit method.

The present value of the defined benefit obligations is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in balance sheet. Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognized immediately in profit or loss as past service cost.

xv) Income Taxes:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

xvi) Provisions:

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

xvii) Earnings per equity share:

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group after adjusting for diluted earning, by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

Notes to Consolidated Financial Statement for the year ended March 31, 2019**xviii) Dividend:**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

xix) Cenvat, Service Tax, Vat & GST:

CENVAT /Service Tax/ VAT/GST credit on materials purchased for production / service availed for production / input service are taken into account at the time of purchase and CENVAT /Service Tax/ VAT/GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

The CENVAT/GST credits so taken are utilized for payment of excise duty/GST on goods manufactured. The unutilized CENVAT/GST credit is carried forward in the books. The VAT/GST credits so taken are utilized for payment of tax on goods sold. The unutilized VAT/GST credit is carried forward in the books.

(xx) Segment reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting to the CODM.

Accordingly, the Board of Directors of the Group is CODM for the purpose of segment reporting. Refer note 40 for segment information presented.

(xxi) Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

(xxii) Operating cycle:

The Operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle. Accordingly, all assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in Ind AS 1- 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

xxiii) Business Combination, Goodwill on Consolidation and Non-controlling Interest:**Business Combination:**

The acquisition method of accounting is used to account for business combinations by the group. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in statement of profit and loss as incurred. Acquisition related costs are recognised in consolidated statement of Profit and Loss as incurred.

Notes to Consolidated Financial Statement for the year ended March 31, 2019***Goodwill on Consolidation:***

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. The unamortised carrying value of goodwill is tested for impairment as at each balance sheet date.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Non-controlling Interest:

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

Changes in the Group's ownership interests in existing subsidiaries:

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the group.

When the Group loses control of a subsidiary, a gain or loss is recognised in consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Note 5: Property, Plant and Equipment

(Amt. in Rs.)

Particulars	Vehicles	Buildings	Office Equipments	Computers	Furniture & Fixtures	Total
Deemed Cost as at April 1, 2017 (Note i)	1,96,990	30,36,556	60,365	15,802	1,02,856	34,12,569
Addition during the year	96,671	Nil	Nil	1,65,835	Nil	2,62,506
Deduction during the year	Nil	Nil	Nil	Nil	Nil	Nil
Gross Carrying Value as on March 31, 2018	2,93,661	30,36,556	60,365	1,81,637	1,02,856	36,75,075
Addition during the year	35,10,287			1,15,986		36,26,273
Deduction during the year	Nil	Nil	Nil	Nil	Nil	Nil
Gross Carrying Value as on March 31, 2018	38,03,948	30,36,556	60,365	2,97,623	1,02,856	73,01,348
Accumulated depreciation as on April 1, 2017	Nil	Nil	Nil	Nil	Nil	Nil
Addition during the year	88,410	1,42,436	29,776	38,120	28,192	3,26,934
Deduction during the year	Nil	Nil	Nil	Nil	Nil	Nil
Accumulated depreciation as on March 31, 2017	88,410	1,42,436	29,776	38,120	28,192	3,26,934
Addition during the year	11,54,878	1,35,755	11,450	99,291	20,464	14,21,838
Deduction during the year		Nil	Nil	Nil	Nil	Nil
Accumulated depreciation as on March 31, 2018	12,43,288	2,78,191	41,226	1,37,411	48,656	17,48,772
Net Carrying Value as on April 1, 2017	1,96,990	30,36,556	60,365	15,802	1,02,856	34,12,569
Net Carrying Value as on March 31, 2018	2,05,251	28,94,120	30,589	1,43,517	74,664	33,48,141
Net Carrying Value as on March 31, 2019	25,60,660	27,58,365	19,139	1,60,212	54,200	55,52,576

Notes:

i. Deemed cost of Property, Plant & Equipment as at April 1, 2017 is as under:

(Amount in Rs.)

Particulars	Gross block	Accumulated Depreciation	Written down value
Vehicles	8,16,859	6,19,869	1,96,990
Buildings	40,40,260	10,03,704	30,36,556
Office Equipments	3,06,817	2,46,452	60,365
Computers	1,86,967	1,71,165	15,802
Furniture & Fixtures	2,50,100	1,47,244	1,02,856
Total	56,01,003	21,88,434	34,12,569

Note - The Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value owing to exemption given in Para D7AA of Ind AS 101 -First time adoption of Indian Accounting Standards. (refer Note 46 to Consolidated Financial Statement)

ii. Assets pledged as security:

Refer Note. 20 & 22 for disclosure of assets pledged as security.

iii. Capitalised borrowing cost:

Borrowing Cost Capitalised on Property, Plant and Equipment during the year ended March 31, 2019 - Rs. Nil/- (for the year ended March 31, 2018: Rs. Nil/-).

iv. Contractual obligations:

Refer Note. 39 for disclosure of Contractual Commitments for the acquisition of property, Plant & Equipment.

Note 6 : Capital Work-in-progress

Particulars	Building	Plant & Machinery	Total
As on April 1, 2017	-	-	-
Addition during the period	8,41,507	16,63,874	25,05,381
Deduction during the period	-	-	-
As on March 31, 2018	8,41,507	16,63,874	25,05,381
Addition during the year	-	5,37,600	5,37,600
Deduction during the year	-	1,94,900	1,94,900
As on March 31, 2019	8,41,507	20,06,574	28,48,081

Notes to Consolidated Financial Statement for the year ended March 31, 2019

7	Non-current Investments	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
	Investments in Equity Instruments at fair value through other comprehensive income (Quoted)		
a	Mahickra Chemical Ltd. (500000 shares as on 31-03-2019, 500000 shares as on 31-03-2018 and Nil shares as on 01-04-2017) of face value Rs. 10 each fully paid up.	2,40,50,000	75,69,501
b	Ushanti Colour Chem Ltd (156000 shares as on 31-03-2019, Nil shares as on 31-03-2018 and Nil shares as on 01-04-2017) of face value Rs. 10 each fully paid up.	97,65,600	-
	Total	3,38,15,600	75,69,501
	Aggregate amount of quoted investment - At cost	1,96,76,726	1,00,00,000
	Aggregate amount of unquoted investment - At cost	-	-
8	Non-current loans	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
	Unsecured and considered good		
	Security Deposits	2,99,000	2,26,000
	Loans to Others	2,58,08,905	1,74,49,331
	Total	2,61,07,905	1,76,75,331
9	Deferred Tax Asset (Net)	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
	Deferred Tax Assets		
	Allowance for Expected Credit Loss on Trade Receivables	19,34,261	20,49,653
	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	1,52,700	-
	Unpaid liability allowable on payment basis in succeeding years u/s. 43B of the Income tax Act, 1961	3,87,132	-
	Fair Valuation of investment in Equity Instruments	-	7,84,322
	Total Deferred Tax Assets	24,74,094	28,33,975
	Deferred Tax Liabilities		
	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	51,067	22,761
	Fair Valuation of investment in Equity Instruments	39,33,435	-
	Total Deferred Tax Liabilities	39,84,502	22,761
	Net	(15,10,409)	28,11,213

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Note i. Movement of deferred tax liability:

Movements in Deferred Tax Liabilities	Unpaid liability allowable on payment basis in succeeding years u/s. 43B of the Income tax Act, 1961	Fair Valuation of investment in Equity Instruments	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	Allowance for Expected Credit Loss on Trade Receivables
At April 01, 2017 *	-	-	6,217	32,30,583
(Charged) / credited:				
to profit or loss	-	-	(28,978)	(11,80,930)
to other comprehensive income	-	7,84,322	-	-
At March 31, 2018 *	-	7,84,322	(22,761)	20,49,653
(Charged) / credited:				
to profit or loss	3,87,132	-	1,24,394	(1,15,392)
to other comprehensive income	-	(47,17,757)	-	-
At March 31, 2019 *	3,87,132	(39,33,435)	1,01,633	19,34,261

10 Inventories	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
Raw materials	3,67,315	-
Finished Stock	17,30,864	-
Stock in Trade	6,53,57,973	4,31,92,520
Total	6,74,56,152	4,31,92,520

11 Trade receivables	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
Trade Receivables (Unsecured)		
Considered Good	34,39,84,100	33,03,09,618
Considered Doubtful	Nil	Nil
	34,39,84,100	33,03,09,618
Less: Allowance for Expected Credit Loss	70,13,630	63,51,573
Total	33,69,70,470	32,39,58,045

Notes:

i. Out of above trade receivables, there are no amount which is receivable from firms / private companies in which directors of the company are partners / directors.

ii. The Company provides an allowance for impairment of doubtful accounts based on financial condition of the customer, aging of the trade receivable and historical experience of collections from customers. The activity in the allowance for impairment of trade receivables is given below:

Allowance Movement for Trade Receivables	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
Balance at the beginning of the year	62,43,148	1,17,26,253
Add : Allowance made during the year	25,35,415	-
Less : Reversal of allowance made during the year	-	54,83,105
Closing Balance	87,78,563	62,43,148

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Notes to Consolidated Financial Statement for the year ended March 31, 2019			
12	Cash & Cash Equivalents	As at March 31, 2019	As at March 31, 2018
		Rs.	Rs.
	Cash on hand	19,04,708	9,40,970
	Balances with Bank - In Current Account	40,30,867	17,04,730
	Total	59,35,575	26,45,700
13	Other Bank Balances	As at March 31, 2019	As at March 31, 2018
		Rs.	Rs.
	Fixed deposits with banks (with original maturity more than 3 months but less than 12 months)	24,513	24,513
	Total	24,513	24,513
14	Loans	As at March 31, 2019	As at March 31, 2018
		Rs.	Rs.
	Unsecured and considered good		
	Loans to Others	45,649	8,50,377
	Total	45,649	8,50,377
15	Other Current Financial Assets	As at March 31, 2019	As at March 31, 2018
		Rs.	Rs.
	Deposits	-	5,97,024
	Others	16,754	28,273
	Total	16,754	6,25,297
16	Other Current Assets	As at March 31, 2019	As at March 31, 2018
		Rs.	Rs.
	Advances to Suppliers	2,35,07,087	3,67,168
	Prepaid Expenses	2,98,962	92,192
	Advances to employees	3,67,847	41,714
	Balances with Statutory Authorities	35,97,039	30,17,424
	Total	2,77,70,934	35,18,498

Notes to Consolidated Financial Statement for the year ended March 31, 2019

17	Equity Share Capital	As at	As at
		March 31, 2019	March 31, 2018
		Rs.	Rs.
	[i] Authorised Share Capital: 110,00,000 Equity shares of Rs. 10 each (as at March 31, 2018 : 110,00,000 equity shares of Rs. 10 each & as at April 01, 2017 : 45,00,000 equity shares of Rs. 10 each)	11,00,00,000	11,00,00,000
	[ii] Issued, Subscribed & Paid-up Capital : 1,02,43,425 equity shares of Rs. 10 each fully paid (as at March 31, 2018 : 1,02,43,425 equity shares of Rs. 10 each & as at April 01, 2017 : 40,97,370 equity shares of Rs. 10 each)	10,24,34,250	10,24,34,250
	Total	10,24,34,250	10,24,34,250

(a) Reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2019, March 31, 2018 and April 1, 2017 is set out below:-

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amt (Rs.)	No. of Shares	Amt (Rs.)
Shares at the beginning	1,02,43,425	10,24,34,250	40,97,370	4,09,73,700
Addition	Nil	Nil	61,46,055	6,14,60,550
Deletion	Nil	Nil	Nil	Nil
Shares at the end	1,02,43,425	10,24,34,250	1,02,43,425	10,24,34,250

(b) The details of shares held by Parent Company and shareholders holding more than 5% shares is set out below.

Particulars		As at	As at
		March 31, 2019	March 31, 2018
		Rs.	Rs.
Pritesh Y Shah	Nos.	17,60,004	15,38,754
	%	17.18	15.02
Pritesh Y Shah HUF	Nos.	9,72,496	9,48,364
	%	9.49	9.26
Yashvantbhai C Shah HUF	Nos.	7,49,192	7,37,942
	%	7.31	7.20
Yashvantbhai C Shah	Nos.	6,03,850	6,03,850
	%	5.90	5.90
Dimple P Shah	Nos.	7,80,500	7,80,500
	%	7.62	7.62
Lalit K Patel	Nos.	10,53,750	10,53,750
	%	10.29	10.29

(c) **Rights, Preferences and Restrictions attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, 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.

(d) The Company has not reserved any share for issue under options and contracts or commitments for the sale of shares or disinvestment.

(e) Details of shares issued pursuant to contract(s) without payment being received in cash or by way of bonus shares or equity shares bought back for the period of 5 years immediately preceding the balance sheet date:

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Particulars		As at March 31, 2018 Rs.
Shares issued for consideration other than cash		-
Alloted as fully paid up by way of Bonus		61,46,055
Shares Bought back		-
18	<u>Other Equity</u>	As at March 31, 2019 Rs.
		As at March 31, 2018 Rs.
(a)	<u>Security Premium</u>	
	Balance as per last Consolidated Financial Statement	1,63,21,750
	Add : Received during the year	Nil
	Less: Utilised for issuance of bonus shares	Nil
	Closing Balance	1,63,21,750
(b)	<u>Retained Earnings</u>	
	Profit and Loss:	
	Balance as per last Consolidated Financial Statement	2,16,24,935
	Add : Profit for the year	2,29,41,197
	Less: Items of Profit and Loss recognised directly in retained earnings on account of transition	Nil
	Less: Interim Dividend Paid	-15,17,813
	Less: Tax on Final Dividend	-3,18,284
	Net Surplus in the statement of profit and loss (i)	4,27,30,035
	Other Comprehensive Income	
	Balance as per last Consolidated Financial Statement	- 16,46,177
	Less: Remeasurement of Defined benefit plans (including deferred tax)	1,18,51,617
	Less : Deferred Tax Asset on above	Nil
	Net Surplus in the statement of other comprehensive income(ii)	1,02,05,440
	Total Retained Earnings (I + ii + iii)	5,29,35,475
	Total (a + B + c)	6,92,57,225
		As at March 31, 2018 Rs.
		As at March 31, 2018 Rs.
		7,77,82,300
		Nil
		-6,14,60,550
		1,63,21,750
		50,47,835
		1,83,03,131
		Nil
		-14,34,080
		-2,91,950
		2,16,24,935
		-
		16,46,177
		Nil
		16,46,177
		1,99,78,758
		3,63,00,508
<p>Equity Security Premium: The amount received in excess of face value of the equity shares is recognised in equity security premium. Being realised in cash, the same can be utilised by the company for issuance of bonus shares and writing of share issue expenses.</p>		
<p>Retained earnings: Retained earnings can be utilised by the company for distribution to its equity shareholders of the company. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.</p>		

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Notes to Consolidated Financial Statement for the year ended March 31, 2019				
19	Minority Interest		As at March 31, 2019	As at March 31, 2018
			Rs.	Rs.
	Minority interest attributable to 49.13% of share holders of Yash Chemex Limited (49.02% as at March 31, 2018)			
	Balance as per last Consolidated Financial Statement		3,80,93,123	-
	Add: Non-controlling interest due to formation of subsidiary		-	17,50,000
	Add: Profit for the year		30,62,472	12,58,123
	Add: Other comprehensive income for the year (net of Tax)		-	-
	Add: Issuance of Equity Shares to Non-controlling Interest along with premium		3,39,84,250	3,50,85,000
	Closing Balance		7,51,39,846	3,80,93,123
20	Non-Current Borrowings		As at March 31, 2019	As at March 31, 2018
			Rs.	Rs.
	Secured Borrowing			
	Vehicle Loans from Bank		31,16,728	-
	Less : Current maturities of long-term debt		4,09,535	-
			27,07,193	-
	Unsecured Borrowing			
	From Related Parties (Directors)		2,38,000	-
	Less : Current maturities of long-term debt		-	-
	Amount disclosed under the head Other Financial Liabilities		2,38,000	-
	Total		29,45,193	-
	Secured Borrowing:			
	Company has obtained 2 different vehicle loans which are secured against the respective vehicles. Details of loan obtained along with Interest Rates and Repayment terms are specified here-in-after:			
	Type of Loan	Installment Amount	No. of Installments (Monthly)	O/s. Balance as on As at March 31, 2019
				Rs.
	Vehicle Loan - I	13,082	84	9.00%
	Vehicle Loan - II	41,635	84	8.25%
	Total			31,16,728
	Unsecured Borrowings:			
	Unsecured Borrowings from Directors are interest free loans for the period of 3 years. At the time of initial recognition, the same is valued at fair value using effective interest rate method. Subsequently the same is carried at amortised cost.			
21	Non-Current Provisions		As at March 31, 2019	As at March 31, 2018
			Rs.	Rs.
	Provisions for employee benefits			
	Gratuity (based on actuarial valuation)		6,65,669	-
	Total		6,65,669	0

Notes to Consolidated Financial Statement for the year ended March 31, 2019

22	<u>Current Borrowings</u>	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
	Secured Borrowing (Repayable on Demand)		
	From Banks (Cash Credit)	1,09,12,453	1,76,32,683
	Secured Deposits (Repayable on Demand)		
	Inter-corporate deposits	18,90,210	17,67,417
	Total	1,28,02,663	1,94,00,100
Notes:			
i) Cash Credit facility availed from Bank is secured by Charge on Current Assets, Fixed deposits, and Equitable mortgage of Residential Bungalows & personal guarantee of Directors Mr. Pritesh Y Shah and Yashwant C Shah.			
ii) Security deposits are from third parties carrying interest rate of 12% p.a. The same are payable on demand.			
23	<u>Trade payables</u>	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
	Payable to Micro and Small Enterprise (Refer note below)	5,52,87,422	-
	Payable to others	18,14,43,735	20,89,04,036
	Total	23,67,31,157	20,89,04,036
Note: Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management. This has been relied upon by the Auditors.			
24	<u>Other Current Financial Liabilities</u>	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
	Current Maturity of long term borrowings	4,09,535	-
	Total	4,09,535	-
25	<u>Other Current Liabilities</u>	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
	Other Statutory dues	6,80,124	4,90,541
	Total	6,80,124	4,90,541

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Notes to Consolidated Financial Statement for the year ended March 31, 2019			
26	<u>Current Provisions</u>	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
	Provisions for Gratuity	7,25,892	-
	Provisions for Expenses	5,990	-
	Total	7,31,882	-
27	<u>Current Tax Liabilities (Net)</u>	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
	Provision For Income tax	1,10,00,000	75,02,000
	Less: Advance Payment of Income Tax	(77,63,744)	(44,00,042)
	Total	32,36,256	31,01,958
	28	<u>Revenue from operation</u>	Year Ended March 31, 2019 Rs.
Sale of Product			
Stock-in-trade		98,70,64,577	86,71,88,270
Sale of services			
Commission Income		25,04,763	-
Total	98,95,69,340	86,71,88,270	
29	<u>Other Income</u>	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
	Interest Income From Bank	87,294	35,116
	Interest income from others	18,18,007	9,61,604
	Gain on Fair Valuation of Unsecured Loan	1,27,569	-
	Foreign Exchange Gain	5,45,957	4,22,947
	Discount Income	4,89,613	22,13,295
	Balances written Off	-	64,50,637
	Consulting Income	10,00,000	-
	Speculation Income	32,993	-
	Miscellaneous income	10,775	3,77,871
	Short term capital gain on mutual fund	19,523	7,196
Total	41,31,731	1,04,68,665	
30	<u>Cost of Materials Consumed</u>	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
	Inventory at the beginning of the year	-	-
	Add: Purchase	22,46,547	-
	Less: Inventory at the end of the year	3,67,315	-
	Cost of Materials Consumed	18,79,232	-

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Notes to Consolidated Financial Statement for the year ended March 31, 2019			
31	<u>Purchase of Stock in Trade</u>	Year Ended March 31, 2019	Year Ended March 31, 2018
		Rs.	Rs.
	Trading Purchase	95,40,02,706	83,33,59,248
	Total	95,40,02,706	83,33,59,248
32	<u>Change In Inventories Of Finished Goods And Stock In Trade</u>	Year Ended March 31, 2019	Year Ended March 31, 2018
		Rs.	Rs.
	Inventory at the beginning of the year		
	Stock in Trade	4,31,92,520	2,93,19,959
	Finished Stock	-	-
		4,31,92,520	2,93,19,959
	Inventory at the end of the year		
	Stock in Trade	6,53,57,973	4,31,92,520
	Finished Stock	17,30,864	-
		6,70,88,837	4,31,92,520
	Decretion / (Accretion) to Stock	(2,38,96,317)	(1,38,72,561)
33	<u>Employee Benefit Expense</u>	Year Ended March 31, 2019	Year Ended March 31, 2018
		Rs.	Rs.
	Salary, Wages & Bonus Expenses	21,27,398	17,35,955
	Directors Remuneration	36,07,020	31,11,438
	Gratuity Expenses	13,91,561	-
	Total	71,25,979	48,47,393
34	<u>Finance Costs</u>	Year Ended March 31, 2019	Year Ended March 31, 2018
		Rs.	Rs.
	Interest Paid to Bank	5,31,191	22,25,302
	Interest expense on financial liability recognised at amortised cost (as per effective interest rate method)	15,570	-
	Interest Paid to Others	4,13,639	5,75,675
	Other borrowing cost	93,394	-
	Total	10,53,794	28,00,977
35	<u>Depreciation And Amortisation Expense</u>	Year Ended March 31, 2019	Year Ended March 31, 2018
		Rs.	Rs.
	Depreciation on Property, Plant & Equipment	14,21,838	3,26,934
	Total	14,21,838	3,26,934

Notes to Consolidated Financial Statement for the year ended March 31, 2019

36 <u>Other Expenses</u>	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
Direct Expenses		
Custom Duty & Custom charges	34,67,777	31,27,097
Shipping Line Charges	10,47,590	8,03,389
Other Chrges for Import	5,21,404	7,85,930
Transportation Expenses	20,49,044	21,49,420
Indirect Expenses		
Advertisement Expenses	2,56,943	26,024
Auditor's Remuneration	1,35,000	1,35,000
Commission Paid	74,277	63,013
Computer Expenses	19,100	68,250
Courier Charges	37,278	10,575
CDSL, NSDL Depository Charges	1,72,500	10,350
Legal Expenses	96,912	Nil
Director Sitting Fees	57,500	52,000
Electricity Charges	1,13,400	72,820
BSE listing fees	7,66,601	46,272
Insurance Charges	1,46,233	2,91,832
Labour chages	Nil	2,900
Municipal Taxes	24,130	27,183
Office Expenses	55,962	59,182
Professional Fees	7,37,100	1,64,400
Telephone Expenses	86,557	9,357
Travelling Expenses	90,451	5,610
Vehicle Exp. (Car)	80,332	15,700
Warehouse Expenses	9,17,862	7,67,561
Vat Expenses	2,13,970	Nil
WEB Site Exp	18,000	Nil
Penalty on TDS Return	Nil	1,600
Late Fee on GST	8,150	2,290
Bonus Issue Exp	Nil	1,93,412
Reversal of expected credit losse allowance	6,62,057	-53,74,680
Donation	1,11,111	Nil
Product Designing Exp	Nil	12,583
Office Rent	2,80,600	92,000
ROC Filing Fees and Company Incorporation Expense	2,06,600	7,71,895
Legal Expenses	26,799	10,000
Sampling Expenses	563	33,380
Stationery Expenses	41,134	9,830
Packing and Forwarding Charges	1,43,898	Nil
Factory Expenses	1,31,225	Nil
R&D Expenses	49,796	Nil
Other Expenses	23,56,638	10,41,885
Total	1,52,04,494	54,88,062

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Notes to Consolidated Financial Statement for the year ended March 31, 2019			
37	<u>Income tax recognised in profit or loss</u>	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
	Current tax:		
	In respect of the current year	1,10,00,000	75,02,000
	In respect of the prior year	3,01,810	-
	Sub-Total (i)	1,13,01,810	75,02,000
	Deferred tax:		
	In respect of the current year	(3,96,134)	12,09,908
	Sub-Total (ii)	(3,96,134)	12,09,908
	Total (I + ii)	1,09,05,676	87,11,908
Income tax reconciliation			
	Particulars	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
	Profit before tax	3,69,09,345	2,82,73,162
	Tax expenses reported during the year	1,09,05,676	87,11,908
	Income tax expenses calculated at effective tax rates applicable to the entity	1,02,68,180	91,79,899
	Difference	6,37,496	-4,67,992
	Permanent disallowances	6,598	7,108
	Other deductible expenses	-	-
	Income not taxable under Income tax	(35,490)	-
	Effect of deferred tax balances due to change in tax rate	-	(7,370)
	Effect of change in deferred tax balances due to transition	3,87,132	(4,93,626)
	Adjustment of current tax of prior years	3,01,810	-
	Other Items	(22,554)	25,897
	Total	6,37,496	(4,67,992)
38	<u>Statement of Other Comprehensive Income</u>	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
	(i) Items that will not be reclassified to profit and loss		
	Fair Valuation Gain / (loss) of Equity Shares	1,65,69,374	(24,30,499)
	(ii) Income tax		
	Deferred tax impact on Fair Valuation Gain / (loss) of Equity Shares	(47,17,757)	7,84,322
	Total	1,18,51,617	(16,46,177)

Notes to Consolidated Financial Statement for the year ended March 31, 2019

39 Capital Commitment

Details of outstanding capital commitments are as under:

Particulars	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
Estimated amount of contracts remaining to be executed on capital account and not provided for	10,52,296	10,52,296
Advance paid against such contracts	-	-
Remaining outstanding commitment	10,52,296	10,52,296

40 Contingent Liabilities

Details of contingent liabilities are as under:

Particulars	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
Outstanding Tax Matters:		
Demand U/s 143(3) r.w.e. 147 of the Income Tax Act for A.Y.2011-12 against which Appeal filed by company and matter is pending before CIT (Appeals).	1,38,25,770	Nil

41 Details of Employee Benefits:

(a) Defined Contribution Plans

As the group does not meet the employees' threshold currently & hence the group is not required to contribute towards any plan under any law for the time being in force. The group shall start contributing as and when it is required by the law.

(b) Defined Benefit Plan - Gratuity:

The group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded.

For the year ended March 31, 2019; the group provides for the Liability for Gratuity to employees determined on the basis of actuarial Valuation based on Projected Unit Credit method. For the period ended March 31, 2018; the group is not required to contribute towards any gratuity plan under any law for the time being in force as the group does not meet the employees' threshold.

The following table summarizes the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and the amounts recognized in the Balance Sheet for the plan:

A. Expenses Recognized during the period

Particulars	Year Ended March 31, 2019 Rs.
In Income Statement	13,91,561
In Other Comprehensive Income	-
Total Expenses Recognized	13,91,561

A1. Expenses Recognized in the Income Statement

Particulars	Year Ended March 31, 2019 Rs.
Current Service Cost	13,91,561
Expenses Recognized in the Statement of Profit and Loss	13,91,561

Notes to Consolidated Financial Statement for the year ended March 31, 2019

B. Net Liability recognized in the balance sheet

Particulars	As at March 31, 2019 Rs.
Present Value of Obligation	(13,91,561)
Fair value of plan assets	-
Surplus / (Deficit)	(13,91,561)
Net (Liability) recognized in the Balance sheet	13,91,561
Current Liability	7,25,892
Non-current Liability	6,65,669

B1. Changes in the Present value of Obligation

Particulars	As at March 31, 2019 Rs.
Present Value of Obligation as at the beginning	-
Current Service Cost	13,91,561
Interest Expense or Cost	-
Re-measurement (or Actuarial) (gain) / loss :	
Past Service Cost	-
Benefits Paid	-
Present Value of Obligation as at the end of the year	13,91,561

C. Actuarial Assumptions

Particulars	As at March 31, 2019 Rs.
Discount Rate	7.50% p.a.
Expected rate of salary increase	7.00% p.a.
Expected Return on Plan Assets	Not Applicable
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate
Rate of Employee Turnover	10.00% p.a at younger ages reducing to 2.00% p.a% at older ages
Retirement Age	60 Years

D. Sensitivity Analysis

Particulars	Year Ended March 31, 2019 Rs.
Defined Benefit Obligation (Base)	13,91,561

Particulars	Year Ended March 31, 2019 Rs.	
	Decrease	Increase
Discount Rate (- / + 0.5%) (% change compared to base due to sensitivity)	39,518	(36,510)
Salary Growth Rate (- / + 0.5%) (% change compared to base due to sensitivity)	(15,207)	27,405
Attrition Rate (W.R. x 90% / W.R. x 110%) (% change compared to base due to sensitivity)	(12,819)	11,929

Notes to Consolidated Financial Statement for the year ended March 31, 2019

E. Maturity Profile of Project Benefit Obligation

Particulars	As at March 31, 2019 Rs.
Weighted average duration (based on discounted cash flows)	10
Expected cashout flows over the next (valued on undiscounted basis):	
1 year	7,25,892
2 to 5 years	2,36,936
6 to 10 years	2,91,070

E. Characteristics of defined benefit plans and risks associated with them:

Valuation of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the group is exposed to various risks in providing the above benefit plans which are as follows:

(i) Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

(ii) Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(iii) Liquity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

(iv) Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(v) Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Notes to Consolidated Financial Statement for the year ended March 31, 2019

42 Segment Reporting

Upto the year and period ended March 31, 2018, the group's operations pre-dominantly relates to trading of chemical & allied products. In the current year, the group started operating in two segments: Perfume Business and Chemical Business. Hence group has presented segment at consolidated level, only for the current year.

The Board of Directors ("BOD") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators of these two operating segments. The BOD reviews revenue and gross profit as the performance indicator for these two operating segments which constitutes reporting segments under Ind AS 108.

Segment Wise Revenue, Results, Segment Assets and Segement Liabilities for the Year Ended on March 31, 2019:

	Paritculars	Year Ended March 31, 2019Rs.
A	Segment Revenue (Sales / Income From Operations)	
	Perfume Business	9,38,336
	Chemical Business	98,86,31,004
	Total Sales / Income From Operations	98,95,69,340
B	Segment Results (Profit / Loss) before tax and Interest from each segment	
	Perfume Business	4,63,016
	Chemical Business	3,66,70,838
	Total	3,71,33,854
	Less: Finance Cost	10,53,794
	Add: Other Unallocable Income (net off Un-allocable expenses)	8,29,286
	Profit / (loss) before tax	3,69,09,345
C	Segment Assets	
	Perfume Business	56,51,592
	Chemical Business	43,09,81,772
	Unallocated	6,99,10,844
D	Segment Liabilities	
	Perfume Business	-
	Chemical Business	23,81,28,708
	Unallocated	2,15,84,179

Notes:

(i) Unallocable income net of unallocable expenses mainly includes income from investment (net), Interest Income etc., common expenses not directly attributable to any individual identified segment.

(ii) Unallocable corporate assets less unallocated corporated liabilities mainly represent of investment and loans out of surplus funds.

Notes to Consolidated Financial Statement for the year ended March 31, 2019

Entity-wide disclosures

(i) Bifurcation of Revenue from external customers by each group of products:

Particulars	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
Sale of Products:		
Beta Nephthol	4,15,78,626	5,17,88,305
H Acid	10,30,17,620	8,10,55,610
V. S. chemical	9,09,41,630	7,78,64,053
Gamma Acid	1,71,02,511	1,59,82,343
Tobias Acid	1,24,17,100	1,53,24,650
Sulpho Tobias Acid	1,28,77,819	1,45,64,247
Bon Acid	11,83,500	44,40,100
All types of Black Crude and Dyes	9,64,95,540	7,47,67,181
All types of Orange Dyes	5,83,88,156	1,04,30,250
All types of Blue Dyes	7,46,04,090	90,17,000
All types of Red Dyes	1,38,56,000	90,73,750
All types of other dyes	11,45,44,640	23,43,64,788
Cynuric Chloride	1,86,55,000	2,16,02,075
MPD	2,76,28,550	1,53,40,450
MPDSA	73,50,344	51,65,758
J Acid	3,32,69,067	2,52,98,586
Melamine	2,44,06,513	87,75,900
Phenol	6,60,51,418	1,01,70,806
T. G. Urea	1,42,58,500	1,38,97,325
Caustic Soda Flakes	80,51,900	68,66,640
Caustic Soda Lye	50,86,407	29,84,235
Re. Tur Blue G	4,29,66,794	82,89,500
Dasda	65,98,949	80,02,436
Re-Golden Yellow Merl	71,86,000	-
Others (refer note below)	8,85,47,903	14,21,22,282
Sale of services:		
Commission Income	25,04,763	-
Total revenue from operations	98,95,69,340	86,71,88,270

Note: Others include different types of chemical & allied products who do not contribute more than 10% of Total revenue of the group individually.

(ii) Bifurcation of Net sales to external customers by geographic area on the basis of location of customers:

Particulars	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
India	98,95,69,340	86,71,88,270
Outside India	Nil	Nil
Total	98,95,69,340	86,71,88,270

(iii) Bifurcation of total assets of the company by geographical area on the basis of location of the asset:

Particulars	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
India	50,65,44,208	40,87,24,516
Outside India	Nil	Nil
Total	50,65,44,208	40,87,24,516

(iv) Details of customer contributing 10% or more of total revenue :

Particulars	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
No. of customers contributing 10% or more of total revenue (individually)	4	4
Amount of revenue	26,71,85,816	20,91,23,334
% of total revenue	27.00	24.12

Notes to Consolidated Financial Statement for the year ended March 31, 2019

43 Fair Value Measurements

Financial instrument by category and their fair value (Amt in Rs.)

As at 31st March, 2019	Carrying Amount				Fair Value (only those items which are recognised at FVTPL / FVTOCI)			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments - Non Current	Nil	3,38,15,600	Nil	3,38,15,600	3,38,15,600	Nil	Nil	3,38,15,600
Loans - Non Current	Nil	Nil	2,61,07,905	2,61,07,905	Nil	Nil	Nil	Nil
Trade Receivables	Nil	Nil	33,69,70,470	33,69,70,470	Nil	Nil	Nil	Nil
Cash and Cash Equivalents	Nil	Nil	59,35,575	59,35,575	Nil	Nil	Nil	Nil
Other Bank Balances	Nil	Nil	24,513	24,513	Nil	Nil	Nil	Nil
Loans - Current	Nil	Nil	45,649	45,649	Nil	Nil	Nil	Nil
Other Current Financial Assets	Nil	Nil	16,754	16,754				
Total Financial Assets	Nil	3,38,15,600	36,91,00,866	40,29,16,466	3,38,15,600	Nil	Nil	3,38,15,600
Financial Liabilities								
Borrowings								
Non Current	Nil	Nil	29,45,193	29,45,193	Nil	Nil	Nil	Nil
Current	Nil	Nil	1,28,02,663	1,28,02,663	Nil	Nil	Nil	Nil
Trade Payables	Nil	Nil	23,67,31,157	23,67,31,157	Nil	Nil	Nil	Nil
Other Current Financial Liabilities	Nil	Nil	4,09,535	4,09,535	Nil	Nil	Nil	Nil
Total Financial Liabilities	Nil	Nil	25,28,88,548	25,28,88,548	Nil	Nil	Nil	Nil

(Amt in Rs.)

As at 31st March, 2018	Carrying Amount				Fair Value (only those items which are recognised at FVTPL / FVTOCI)			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments - Non Current	Nil	75,69,501	Nil	75,69,501	75,69,501	Nil	Nil	75,69,501
Loans - Non Current	Nil	Nil	1,76,75,331	1,76,75,331	Nil	Nil	Nil	Nil
Trade Receivables	Nil	Nil	32,39,58,045	32,39,58,045	Nil	Nil	Nil	Nil
Cash and Cash Equivalents	Nil	Nil	26,45,700	26,45,700	Nil	Nil	Nil	Nil
Other Bank Balances	Nil	Nil	24,513	24,513	Nil	Nil	Nil	Nil
Loans - Current	Nil	Nil	8,50,377	8,50,377	Nil	Nil	Nil	Nil
Other Current Financial Assets	Nil	Nil	6,25,297	6,25,297	Nil	Nil	Nil	Nil
Total Financial Assets	Nil	75,69,501	34,57,79,264	35,33,48,765	75,69,501	Nil	Nil	75,69,501

Notes to Consolidated Financial Statement for the year ended March 31, 2019

(Amt in Rs.)								
As at 31st March, 2018	Carrying Amount				Fair Value (only those items which are recognised at FVTPL / FVTOCI)			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities								
Borrowings								
Non Current	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Current	Nil	Nil	1,94,00,100	1,94,00,100	Nil	Nil	Nil	Nil
Trade Payables	Nil	Nil	20,89,04,036	20,89,04,036	Nil	Nil	Nil	Nil
Other Current Financial Liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Financial Liabilities	Nil	Nil	22,83,04,135	22,83,04,135	Nil	Nil	Nil	Nil
<p>The above fair value hierarchy explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost for which fair values are disclosed in the Consolidated Financial Statements. To provide the indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments in to three levels prescribed is as under:</p> <p>Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities</p> <p>Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)</p> <p>Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)</p> <p>There were no transfers between the levels during the year</p>								
<p>Valuation process</p> <p>The finance department of the group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The fair valuation of level 1 and level 2 classified assets and liabilities are readily available from the quoted prices in the open market and rates available in secondary market respectively.</p> <p>The carrying amount of trade receivable, trade payable, cash and bank balances, short term loans and advances, statutory dues payable / receivable, short term borrowing, employee dues are considered to be the same as their fair value due to their short-term nature.</p>								

44 Financial risk management

The Group's activities expose it to a variety of financial risks, including credit risk, market risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

The Group's risk management is governed by policies and approved by the board of directors. The Group identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Group has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

I Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The history of trade receivables shows a negligible provision for bad and doubtful debts. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments. The Group has adopted simplified approach of ECL model for impairment.

i) Trade Receivables:

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Group with various activities as mentioned above manages credit risk. An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The Group does not hold collateral as security.

ii) Financial assets that are neither past due nor impaired

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's assessment of credit risk about particular financial institution. None of the Group's cash equivalents, including term deposits (i.e., certificates of deposit) with banks, were past due or impaired as at each balance sheet date.

II Liquid Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The level of liquidity risk is very low considering the fact that the Group relies on operating cash flows and owned equity. Currently the Group has borrowed funds from bank mainly for day to day business needs (i.e. Cash Credit Facilities are being availed by the Group). Long term loans borrowed are mainly for the purpose of vehicles the group has acquired during the current year.

Further the Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring the forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The promoters of the Group believe in equity funding rather than relying on borrowed funds. The tables below analyze the Group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to Consolidated Financial Statement for the year ended March 31, 2019

(Amt in Rs.)

Contractual maturities of financial liabilities as at March 31, 2019	Carrying Amount	Contractual Cash Flows					Total
		On demand or within 1 year	Over 1 year within 2 years	Over 3 years within 5 years	Over 5 years		
Non-current Borrowings	29,45,193	Nil	445398	1822251	677544	29,45,193	
Current Borrowings	1,28,02,663	1,28,02,663	Nil	Nil	Nil	1,28,02,663	
Trade Payables	23,67,31,157	23,67,31,157	Nil	Nil	Nil	23,67,31,157	
Other Current Financial	4,09,535	4,09,535	Nil	Nil	Nil	4,09,535	
Total	25,28,88,548	24,99,43,355	Nil	Nil	Nil	25,28,88,548	

(Amt in Rs.)

Contractual maturities of financial liabilities as at March 31, 2018	Carrying Amount	Contractual Cash Flows					Total
		On demand or within 1 year	Over 1 year within 2 years	Over 3 years within 5 years	Over 5 years		
Non-current Borrowings	Nil	Nil	Nil	Nil	Nil	Nil	
Current Borrowings	1,94,00,100	1,94,00,100	Nil	Nil	Nil	1,94,00,100	
Trade Payables	20,89,04,036	20,89,04,036	Nil	Nil	Nil	20,89,04,036	
Other Current Financial	Nil	Nil	Nil	Nil	Nil	Nil	
Total	22,83,04,135	22,83,04,135	Nil	Nil	Nil	22,83,04,135	

III Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and commodity risk.

a) Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Group's foreign exchange risk arises from its foreign currency purchase of Stock-in-trade, (primarily in USD). A significant portion of the Group's purchases are in foreign currencies, while its revenue are in Indian Rupees. As a result, if the value of the Indian rupee depreciates relative to these foreign currencies, the Group's purchase costs measured in Indian Rupees may increase. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. As of March 31, 2019, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in foreign currency risk.

i) The following table analyses foreign currency risk from non-derivative financial instruments as at each balance sheet date

Particulars	Currency	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
Trade Payables	USD	1,65,864	61,259
	INR	1,14,73,003	39,84,533

Notes to Consolidated Financial Statement for the year ended March 31, 2019

ii) Foreign Currency Risk Sensitivity				
The sensitivity of profit or loss due to changes in the exchange rates arises mainly from non-derivative foreign currency denominated financial instruments (mainly financial instruments denominated in USD currency). The same is summarized as below:				
<u>Particulars</u>	Impact on Profit before tax			
	Year Ended March 31, 2019 Rs.		Year Ended March 31, 2018 Rs.	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	(5,73,650)	5,73,650	(1,99,227)	1,99,227
Total	(5,73,650)	5,73,650	(1,99,227)	1,99,227

b) Interest Risk				
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates related primarily to the Group's short-term borrowings with floating interest rates. Group's treasury department monitors the interest rate movement and manages the interest rate risk based on its policies.				
The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:				

i) Exposure to interest rate risk				
<u>Particulars</u>	As at March 31, 2019 Rs.		As at March 31, 2018 Rs.	
Fixed Rate Borrowings	48,35,403		17,67,417	
Variable Rate Borrowings	1,09,12,453		1,76,32,683	
Total	1,57,47,856		1,94,00,100	

For details of the Group's short-term and long term loans and borrowings, including interest rate profiles, refer to Note 18 and 20 of these financial statement.

ii) Interest Rate Sensitivity				
Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. The below sensitivity does not include the impact of interest rate swap contracts which largely mitigate the risk.				
<u>Particulars</u>	Year Ended March 31, 2019 Rs.		Year Ended March 31, 2019 Rs.	
50bp increase would decrease the profit before tax by	(54,562)		(88,163)	
50bp decrease would increase the profit before tax by	54,562		88,163	

c) Price Risk				
Exposure to market risk with respect to commodity prices primarily arises from the Group's purchases and sales of active chemical and perfume products. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Group's stock generally fluctuate in line with commodity cycles. Purchase Cost of the products and cost of materials consumed form the largest portion of the Group's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2019, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.				

45 Capital Management:				
The Group's capital management is intended to maximise the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Group; and reduce the cost of capital through the optimization of the capital structure i.e. the debt and equity balance.				
The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.				

Notes to Consolidated Financial Statement for the year ended March 31, 2019

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
Debt	1,57,47,856	1,94,00,100
Cash and bank balances	59,60,088	26,70,213
Net debt	97,87,768	1,67,29,887
Equity	24,68,31,321	17,68,27,882
Net debt to equity ratio	3.97%	9.46%

46 Details of Payment to Auditors

Particulars	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.
Payment to		
As auditor:		
Audit fee	1,05,000	1,05,000
Taxation matters	30,000	30,000
Group law matters	Nil	Nil
Total	1,35,000	1,35,000

Notes to Consolidated Financial Statement for the year ended March 31, 2019

47 Transition to Ind-AS

These Consolidated Financial Statements, for the year ended March 31, 2019, are the first Consolidated Financial Statements of the group being prepared in accordance with Ind AS. For periods up to March 31, 2018, the group has prepared its Consolidated Financial Statements in accordance with accounting standards notified under section 133 of the Companies Act 2013 read together with relevant rules of the Companies (Accounts) Rules, 2014 (Indian GAAP). Therefore, comparative information is reclassified / restated so as to comply with Ind AS.

Accordingly, the group has prepared Consolidated Financial Statements which comply with Ind AS applicable for the year ending on March 31, 2019, together with the comparative period data as at and for the period ended March 31, 2018, as described in the summary of significant accounting policies. The parent company has acquired the shares in the subsidiary company on October 17, 2017 and hence the parent company has started consolidating the financial statement of the subsidiary from the period ended March 31, 2018 only. Previously the parent company was not required to issue consolidated Consolidated Financial Statement. And hence the group is not required to prepare the consolidated opening balance sheet as per Ind AS as of April 1, 2017. But the parent company has to prepare its standalone opening balance sheet as per Ind AS as of April 1, 2017 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities.

An explanation of how the transition from previous GAAP to Ind AS has affected the Group's equity as on March 31, 2018 and profit for the period ended March 31, 2018 is set out here-in-after.

However, this principle is subject to the certain mandatory exceptions and optional exemptions availed by the Company in line with principles of Ind AS 101 as detailed below:

47.1 Exemptions and exceptions availed

I Optional exemptions

1 Property, Plant and Equipment (PPE) :

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

II Mandatory Exceptions

1 Estimates

The estimates as at April 1, 2017 and as at March 31, 2018 are consistent with those made for the same dates in accordance with the Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the impairment of financial assets based on the risk exposure and application of ECL model where application of Indian GAAP did not require any estimation.

The estimates used by the Company to present these amounts in accordance with Ind AS, reflect conditions at April 1, 2017, the date of transition to Ind AS and as at March 31, 2018.

2 Classification and measurement of financial assets

Ind AS 101 provides exemptions to certain classification and measurement requirements of financial assets under Ind AS 109, where these are impracticable to implement. Classification and measurement is done on the basis of facts and circumstances existing as on the transition date. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the transition date.

3 De-recognition of financial assets and liabilities:

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Notes to Consolidated Financial Statement for the year ended March 31, 2019

47.2 Reconciliation of Equity		
(Amt in Rs.)		
Particulars	Footnote Reference	As at March 31, 2018
Total Equity (Shareholder's Fund) as per previous GAAP		18,30,45,471
Ind AS Adjustments		
Provision for Expected Credit Loss on Trade Receivables	1	(63,51,573)
Changes in Fair Value of Non-Current Investment classified through FVTOCI	2	(24,30,499)
Adjustment to Deferred Tax	3	28,23,737
Others		(2,59,254)
Total Equity as per Ind AS		17,68,27,882

47.3 Reconciliation of total comprehensive income for the year ended March 31, 2018		
(Amt in Rs.)		
Particulars	Footnote Reference	Period Ended March 31, 2018
Profit after tax as per previous GAAP		1,56,36,238
Adjustments:		
Reversal of Expected Credit Loss provision on trade receivables	1	53,74,680
Adjustment to Deferred Tax	3	(11,90,410)
Others		(2,59,254)
Profit after tax as per Ind As		1,95,61,254
Other Comprehensive Income (net of tax)	2	(16,46,177)
Total Comprehensive income for the period under Ind As		1,79,15,077

Footnotes:

- 1 Provision of Expected Credit Loss on trade receivable**
Under previous GAAP, provisions were made for specific receivables if collection was doubtful. Under Ind AS 109, the Group has applied expected credit loss model for recognising impairment of financial assets. Under expected credit loss model, the Group has adopted simplified approach (provision matrix).

- 2 Change in fair value of non-current investments classified through FVTOCI**
Under previous GAAP, the long-term investments were measured at cost less permanent diminution in value, if any. Ind AS requires all investments to be measured at fair value at the reporting date and all changes in the fair value subsequent to the transition date to be recognised either in the Statement of profit and loss or Other Comprehensive Income based on the category in which they are classified. The group classifies the non-current investments under the category "Fair Value through Other Comprehensive Income".

Accordingly, at each reporting date, the company has adjusted change in fair value of investments in other entities in "Other Comprehensive Income". The impact of tax on the same is also adjusted to "Other Comprehensive Income" only.

- 3 Deferred Tax Adjustments:**
Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS which mainly includes expected credit loss allowance and Changes in fair values of non-current investments.

- 4 Excise Duty**
Under previous GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss.

Notes to consolidated financial statement for the year ended March 31, 2019

48 Interest in Subsidiaries:

48.1 Subsidiaries:

The group's subsidiaries at March 31, 2019 and March 31, 2018 are set out below:

Name of entity	Place of business	Principal activities	As at March 31, 2019	As at March 31, 2018
Yasons Chemex Care Limited:				
Ownership Interest Held by the Company	India	Manufacturing and trading of Chemical as well as perfume products	50.87%	50.98%
Ownership interest held by non-controlling interests			49.13%	49.02%

During the year ended March 31, 2018; the Company along with has formed a separate company namely Yasons Chemex Care Limited under the provisions of the Companies Act, 2013; incorporated on October 17, 2017. The proportion of ownership interests of the Company is approx. 51% in the said company. The company has started consolidating the same from the year ended March 31, 2018.

48.2 Details of subsidiaries and non-controlling interest:

Set out below is summarised financial information of subsidiaries. The amounts disclosed for each subsidiary are before inter-company eliminations.

(i) Summarised Balance Sheet of subsidiaries as at each balance sheet date:

Particulars	Yasons Chemex Care Limited	
	As at March 31, 2019	As at March 31, 2018
Current assets	12,56,83,990	5,66,03,792
Current liabilities	2,52,88,264	1,51,39,937
Net Current assets / (liabilities)	10,03,95,726	4,14,63,855
Non-current assets	3,17,12,689	2,01,88,433
Non-current liabilities	29,45,193	Nil
Net Non-current assets / (liabilities)	2,87,67,496	2,01,88,433
Net Assets	12,91,63,222	6,16,52,289
Accumulated Non-controlling interest	7,51,39,846	3,80,93,123

(ii) Summarised Statement of Profit and Loss of subsidiaries during each financial year:

Particulars	Yasons Chemex Care Limited	
	Year Ended March 31, 2019	Year Ended March 31,
Revenue	18,56,62,794	5,92,06,681
Profit for the year	64,51,685	35,27,288
Other Comprehensive Income	Nil	Nil
Profit / (loss) attributable to Non-controlling interest	30,62,472	12,58,123
Other Comprehensive Income attributable to Non-controlling interest	Nil	Nil
Total comprehensive income attributable to Non-controlling interest	30,62,472	12,58,123

(iii) Summarised Cash Flows of subsidiaries:

Particulars	Yasons Chemex Care Limited	
	Year Ended March 31, 2019	Year Ended March 31, 2018
Cash flows from operating activities	(5,03,01,218)	(3,74,25,259)
Cash flows from investing activities	(1,04,77,023)	(1,91,77,164)
Cash flows from financing activities	6,38,26,019	5,81,24,833
Net increase/ (decrease) in cash and cash equivalents	30,47,778	15,22,410

Note: Ind AS 103 is not applicable to the company as the company has floated a new subsidiary company and invested more than 50% equity from the very beginning.

Notes to financial statement for the year ended March 31, 2019

49 Earnings Per Share (EPS)

Particulars	Year Ended	Year Ended
	March 31, 2019	March 31, 2018
	Rs.	Rs.
Net Profit / (Loss) for calculation of basic / diluted EPS	2,29,41,197	1,83,03,131
Weighted Average Number of Equity Shares in calculating Basic and Diluted	1,02,43,425	1,02,43,425
Basic and Diluted Earnings/(Loss) Per Share	2.24	1.79
Nominal Value of Equity Shares	10	10

50 Related Parties Disclosures

(i) List of related parties:

Name of related party	Nature of relationship
Yash Chem	Controlled by Key Managerial Persons
Yashwantlal C. Shah HUF	Controlled by Key Managerial Persons
Pritesh Shah HUF	Controlled by Key Managerial Persons
Pritesh Yashwantbhai Shah	Key Managerial Person (Managing Director)
Yashwant C. Shah	Key Managerial Person (Wholetime Director)
Dimple Pritesh Shah	Key Managerial Person (Director)
Jinal Dineshbhai Shah	Key Managerial Person (Independent Director)
Angee Shah	Key Managerial Person (Independent Director)
Vrusha Patel	Key Managerial Person (Independent Director)
Kiritkumar Shah	Key Managerial Person (Chief Financial Officer)
Chandrakant Y. Shah	Relative of Key managerial person
Paxal P. Shah	Relative of Key managerial person

(ii) Transactions during the period and balances outstanding with related parties are as under:

Transactions with related parties during the year:

Name of related party	Nature of Transaction	Year ended	Year ended
		March 31, 2019	March 31, 2018
		Rs.	Rs.
Yash Chem	Purchase of goods	12,00,72,112	12,32,99,113
Pritesh Yashwantbhai Shah	Director remuneration	18,94,520	14,00,000
Yashwant C. Shah	Director remuneration	13,00,000	9,50,000
Dimple Pritesh Shah	Director remuneration	Nil	6,03,390
Raj Shah	Director remuneration	62,500	70,548
Jinal Dineshbhai Shah	Director's Sitting Fees	Nil	15,000
Angee Shah	Director's Sitting Fees	37,500	12,500
Vrusha Patel	Director's Sitting Fees	20,000	12,000
Pritesh Shah HUF	Loan given	28,00,000	Nil
	Loan repaid by the party	28,00,000	Nil

Notes to financial statement for the year ended March 31, 2019

Balances outstanding at each reporting date:

Name of party	Nature of Amount	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
Y. C. Shah	Advance to Employees / (Employees Pavables)	1,62,000	(37,81,000)
Raj Shah	Employees Payables	(1,14,750)	(2,04,750)
Dimple Pritesh Shah	Other Payables	(1,11,824)	(29,682)
Yash Chem	Advance to Suppliers / (Trade Payable)	99,18,428	Nil

Note: Figures in bracket denotes credit balance.

51 Revenue from operation upto June 30, 2017 was reported inclusive of excise duty which is now subsumed in Goods and Services Tax (GST). Accordingly, figures of revenue from operations and excise duty expenses for the year ended March 31, 2019 are not comparable with the figures of the previous year.

52 **Subsequent Events:**

Subsequent to Balance Sheet Date, there are no events occurred which require disclosure or adjustments in the financial statements.

53 Previous Periods' / Years' figures have been re-grouped / Re-Classified where necessary to make it comparable with the current period.

In terms of our report attached.

For, Harshad Sudhir & Co.,

Chartered Accountants

Firm Regd. No.129775W

For, Yash Chemex Limited

Pritesh Y. Shah

Managing Director

(DIN: 00239665)

Yashwantlal C. Shah

Whole Time Director

(DIN: 01002342)

Sudhir S. Shah

Partner (M. No.115947)

Kiritbhai H. Shah

Chief Financial Officer

Aesha Mashru

Company Secretary

Place : Ahmedabad

Date : 28.05.2019

Place: Ahmedabad

Date : 28.05.2019

YASH CHEMEX LIMITED

(CIN:-L74110GJ2006PLC048385)

Registered Office: 411,4th Floor,Sigma Icon-1,Opp.Medilink Hospital,Satelite,Ahmedabad-380015.

Phone: 079-40028639, 079-26730257-58

Email id: -yashchem@hotmail.com. Web-site: www.yashchemex.com

13th Annual General Meeting

ATTENDANCE SLIP

<p>1. Name(s) of Member(s) : Including joint holders, if any</p> <p>2. Registered address of the Sole/ : First named Member</p> <p>3. DP ID No. & Client ID No./ : Registered Folio No.</p> <p>4. No. of Shares held</p>
--

I hereby record my presence at the 13th Annual General Meeting of the Company being held at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015 on Monday, September 30, 2019 at 5:00 PM

Signature of the Shareholder/Proxy present

Notes :

1. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip and handover the same duly signed at the entrance of the meeting hall.

2. PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING

**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]

CIN:	L74110GJ2006PLC048385
Name of the company:	YASH CHEMEX LIMITED
Registered office:	411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015.

Name of the member(s):
Registered address:
Email Id:
Folio No./Client Id:
DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	
2.	Name:	
	Address:	
	E-mail Id:	
	Signature:	
3.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 13th Annual general meeting of the company, to be held on Monday, September 30,2019. at 05.00 P.M. at the registered office of the Company situated at 411, Sigma Icon-1, 132ft Ring Road, Opp. Medilink Hospital, Satellite, Ahmedabad-380015 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
Ordinary Business	
1.	To adopt Financial Statements for the Financial Year ended March 31, 2019.
2.	To confirm the payment of Interim Dividend of 0.30 per equity share already paid during the year as the Final Dividend for the Financial Year 2018-19.
3.	To appoint a Director in place of Mrs. Dimple P. Shah, Director (DIN:06914755), who retires by rotation and being eligible, offers herself for re-appointment, as a Director of the Company
4.	Appointment of Auditor
Special Business	
5.	To approve payment of remuneration to Mr. Yashwantlal C. Shah (DIN:01002342), Whole Time Director
6.	To re-appoint Mr. Yashwantlal C. Shah (DIN: 01002342), as a Whole Time Director
7.	To re-appoint Mr. Pritesh Y. Shah (DIN: 00239665), as a Managing Director
8.	To approve payment of remuneration to Mrs. Dimple P. Shah (DIN:06914755), Director
9.	Approval of Related Party Transaction regarding purchase and Sale with Yasons Chemex Care Limited
10.	Approval of Related Party Transaction with Yash Chem

Signed this..... day of..... 2019.

Signature of shareholder

Signature of Proxy holder(s)

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

Route Map of the Venue for 13th Annual General Meeting of M/S. YASH CHEMEX LIMITED

