

YASH CHEMEX LIMITED



YASH CHEMEX LIMITED

ANNUAL REPORT 2019-2020

CORPORATE INFORMATION

Corporate Identification Number (CIN): L74110GJ2006PLC048385

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. Jinal D. Shah -Independent Director
Ms. Angee R. Shah -Independent Director
Ms. Vrusha A. Patel -Independent Director

COMPANY SECRETARY

MS. Charmi D. Shah (W.e.f. 24.12.2019)

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. H S K & CO.,
Chartered Accountants
410, The Grand Mall,Opp.C.N Vidya Vihar,
S.M. Road, Ambavadi, Ahmedabad-15.

REGISTERED OFFICE

411, Sigma Icon-1, 132ft Ring Road
Opp. Medilink Hospital, Satellite
Ahmedabad-380015
Tel. No.: 079- 40028639
Website: www.yashchemex.com

BANKERS OF THE COMPANY

HDFC Bank Limited
YES Bank
DCB Bank

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

INSIDE THIS REPORT

NOTICE	1 to 19
MANAGING DIRECTOR'S SPEECH	20-21
BOARD OF DIRECTOR'S REPORT	22-60
CORPORATE GOVERNANCE REPORT	61-102
MANAGEMENT DISCUSSION ANALYSIS REPORT	103-107
INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS	108-118
STANDALONE BALANCE SHEET	119
STANDALONE STATEMENT OF PROFIT & LOSS	120
STANDALONE CASH FLOW STATEMENT	121
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED AS ON MARCH 31, 2020	122
NOTES 1 TO 48 FORMING PART OF FINANCIAL STATEMENTS	123-152
INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS	153-160
CONSOLIDATED BALANCE SHEET	161
CONSOLIDATED STATEMENT OF PROFIT AND LOSS	162
CONSOLIDATED CASH FLOW STATEMENT	163
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED AS ON MARCH 31, 2020	164
NOTES 1 TO 50 CONSOLIDATED ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS	165-201

NOTICE OF THE 14TH (FOURTEENTH) ANNUAL GENERAL MEETING

NOTICE is hereby given that the 14TH(**FOURTEENTH**) **ANNUAL GENERAL MEETING** of the Members of **YASH CHEMEX LIMITED** will be held on **Wednesday, September 30, 2020** at 03.30 p.m. through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following **BUSINESS. The**

ORDINARY BUSINESS:

1. To adopt Financial Statements for the Financial Year ended March 31, 2020.

To receive, consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statement(s) of the Company for the Financial Year (F.Y.) ended March 31, 2020 and the Reports of the Board of Directors and the Statutory Auditors thereon, including Annexures thereto.

2. To appoint a Director in place of Mr. Yashwant C. Shah, Director (DIN:01002342), 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 a SPECIAL RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Yashwant C. Shah, Director(Whole Time Director) (DIN:01002342) and who has attained the age of 80 years in August, 2020, who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a “Director”(Whole Time Director) of the Company.”

3. To take note of the name change of Statutory Auditor Firm from M/S Harshad Sudhir & CO., (FRN:129775W), Ahmedabad to M/S H S K & CO., Chartered Accountants (FRN:117014W), due to its merger into M/S H S K & CO., Chartered Accountants, (FRN117014W):

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), consent of the members of the Company be and is hereby granted to approve and consider the change of name of Statutory Auditor firm of the Company from M/s Harshad Sudhir & Co., Chartered Accountants (FRN:129775W), Ahmedabad to M/s H S K & Co., Chartered Accountants (FRN:117014W), Ahmedabad pursuant to its merger with M/s H S K & Co., Chartered Accountants(FRN:117014W) , Ahmedabad on the same terms and conditions including remuneration and tenure on which M/s Harshad Sudhir & Co. was appointed by the shareholders and board of directors of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby authorised to do all such acts, deeds and things as are necessary to give effect to this resolution.”

SPECIAL BUSINESS:**4. To make loans or investments and to give guarantees or to provide security in connection with a loan made under Section 186 of the Companies Act, 2013 .**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Rules thereof (including any statutory modification(s) or re-enactment(s) thereof for the time being in force consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”) (i) to give any loans to any person or other body corporate, or (ii) give any guarantee or to provide security in connection with a loan to any other body corporate or person, or (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty percent of Company’s Paid up capital and its free reserves and securities premium account or one hundred percent of its free reserves and securities premium account whichever is higher as the Board of Directors may think fit, provided that the total loans or investments made, guarantee given, securities provided and acquire any other security shall not any time exceed Rs. 16 Crores.”

5. 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 with Yasons Chemex Care Limited for purchase/sale of goods and supply of goods and materials up to 12 Crores for Financial Year 2020-21 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.”

6. 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. 6 Crores for the financial year 2020-21.”

“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.”

7. Approval of Related Party Transaction with Yash Corporation:

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 Corporation for purchase/sale of goods and materials not exceeding Rs. 6 Crores for the financial year 2020-21.”

“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.”

8. To approve the Re-appointment of Ms. Vrusha A. Patel (DIN:07772669) as an Independent Director of the Company

To consider and if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION** :

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment for the time being in force) Ms. Vrusha Patel (DIN:07772669) , who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment , be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of one year to hold office with effect from May 29, 2021 up to May 28, 2022.”



Annual Report 2019 – 2020

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

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

Charmi Shah
Company Secretary
Membership No: A61029

Place: Ahmedabad

Date: September 03, 2020

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 14th (Fourteenth) Annual General Meeting, as set out in this Notice is annexed hereto.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”) and MCA Circulars, the AGM of the Company will be held through VC / OAVM.
3. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. Since this AGM is being held through VC / OAVM, pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

6. In compliance with the aforesaid MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website www.yashchemex.com, website of stock exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL (agency for providing the Remote eVoting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. Pursuant to Section 113 of the Companies Act, 2013, Corporate Members are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization, etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting to scrutinizer yashreedixit19@gmail.com and to the company at cscharmi0112@gmail.com
8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013
9. Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Meeting is annexed herewith.
10. The details pursuant to the Regulation (36) (3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and other applicable provisions are annexed herewith as Annexure- A
11. All the work related to share registry in terms of both physical and electronic are being conducted by Company's Registrar & Transfer Agent, Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400059, Maharashtra. The Shareholders are requested to send their communication to the aforesaid address or via email at joyv@bigshareonline.com.
12. The SEBI has vide Circular no. MRD/DOP/Cir-05/2009 dated 20th May, 2009 mandated the submission of PAN by every participant in the security market. Members holding shares in electronic form /physical form are therefore, requested to submit their PAN to the Company or the RTA.
13. Pursuant to Sections 101 and 136 of the Companies Act, 2013, read with the relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not yet registered their e-mail address with the Company or their respective Depository are requested to do so. In the context of General Meeting through VC/OAVM, availability of email id of shareholders will play key role for sending notice or other important communication to shareholders. Hence, Bigshare Services Private Limited. is offering the facility for all shareholders to update their email id with it for sending the notice of AGM and annual report. The facility for updating of e-mail id of the shareholders shall be available on their website <https://www.bighsareonline.com> and the same can be updated by shareholders any time during the year.

14. The Company has designated an exclusive Email ID: cscharmi0112@gmail.com for redressal of Shareholders'/ Investors' complaints/ grievances. In case you have any queries, complaints or grievances, then please write to us at the above mentioned e-mail address.
15. Relevant documents referred to in the accompanying Notice calling the AGM are available for inspection through electronic mode up to the date of the AGM. Members seeking to inspect such documents can send an email to cscharmi0112@gmail.com
16. The Register of Members and Share Transfer Books of the Company shall remain closed from 23rd September, 2020 to 30th September, 2020. (both days inclusive).
17. Information and other instructions for Members relating to remote e-voting are as under: Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing the facility to Members to exercise their rights to vote by electronic means. The Company has engaged the Services of Central Depository Services (India) Limited (CDSL) for providing e-voting facilities. The e-voting rights of the Members / beneficial owners shall be reckoned in proportion to ordinary shares held by them in the Company as on 22nd September, 2020 (cut -off date fixed for this purpose). The Company has appointed Ms. Yashree Dixit, Practising Company Secretary (COP:19206), to act as the Scrutinizer, for conducting the scrutiny of the votes cast.
18. The notice of Annual General Meeting along with the Annual report 2019-20 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 27th September, 2020 at 9.00 A.M. and ends on 29th September, 2020 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL’s **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL’s **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number via contacting the email at cscharmi0112@gmail.com.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xii) Click on the EVSN for the relevant “**YASH CHEMEX LIMITED**” on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “**Click here to print**” option on the Voting page.
- (xviii) 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.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app “**m-Voting**”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company at cscharmi0112@gmail.com/RTA email id joyv@bigshareonline.com.**
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company at cscharmi0112@gmail.com/RTA email id joyv@bigshareonline.com.**

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

1. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **6 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **6 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cscharmi0112@gmail.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as

the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cscharmio112@gmail.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- The Board of Directors has appointed Ms. Yashree Dixit, Practising Company Secretary (COP:19206) as Scrutinizer for conducting the voting process in a fair and transparent manner.
- The result of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of AGM, subject to receipt of requisite number of votes. The results declared along with Scrutinizer’s report shall be placed on the website of the Company www.yashchemex.com. The results shall simultaneously be communicated to the Stock Exchange.
- If you have any queries or issues regarding attending AGM & e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542)

All grievances connected with the facility for voting by electronic means may be addressed to:
Mr. Rakesh Dalvi, Manager, (CDSL)
Central Depository Services (India) Limited,

A Wing , 25th Floor, Marathon Futurex, Mafatlal Mill Compounds,
N M Joshi Marg, Lower Parel (East), Mumbai – 400013
Email:- helpdesk.evoting@cdslindia.com
Call:- 022-23058542/43

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**Item No. 2**

Director, Mr. Yashwantlal C. Shah (DIN:01002342), who has attained the age of 80 Years in August, 2020 retires by rotation and being eligible, seeks re-appointment. The Board recommends the Special Resolution set out at Item No. 2 of the Notice for approval by the members. 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 as set out herein below:

Remuneration

- I. **Salary:** 13,00,000/- 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. 2 of the Notice.

Item No. 3

The Members of the Company, in their 13th Annual General Meeting held on 30th September, 2019, have appointed M/s Harshad Sudhir & Co., Chartered Accountants, Ahmedabad (Registration No:129775W) as a Statutory Auditor for a term of 5 Years i.e. from the conclusion of 13th Annual General Meeting till the conclusion of Annual General Meeting for Financial Year 2023-24.

M/s Harshad Sudhir & Co., Chartered Accountants, Ahmedabad (Registration No:129775W) has been merged with the firm M/s H S K & Co., Chartered Accountants, Ahmedabad (Registration No:117014W) with effect from 1st March, 2020 and the letter to the effect was received by the

Company on 28th May, 2020 . Accordingly the Audit Committee and Board of Directors of the company, in their meeting held on 03rd June, 2020 took note of the same and recommended for noting and approval of the shareholders of the company for the Change in the name of Statutory Auditor Firm due to merger and appointment of M/s H S K & Co., Chartered Accountants, Ahmedabad (Registration No:117014W) on the same terms and conditions including remuneration for the remaining tenure for which M/s Harshad Sudhir & Co., Chartered Accountants, Ahmedabad (Registration No:129775W) was appointed by the Shareholders of the Company.

The Board of Directors recommended the noting and approval of Shareholders by way of Ordinary Resolution.

None of the Directors and Key Managerial Personnel (including relatives of directors or key managerial personnel) of the company is concerned, interested, financially or otherwise , in the proposed Item No.3.

Item No. 4

The Company makes investment in and gives to the subsidiary companies and other Chemical companies as and when needed. The Company also provides Corporate Guarantee to the banks/financial institutions for the financial assistance provided by them.

The requirements of the loans to be given / investment to be made / guarantee to be provided by the Company to meet the financial requirements, it is required to increase the limit up to 16 Crore. The consent and approval of the Shareholders is therefore, sought in accordance with the provisions of Section 186 of the Companies Act, 2013 for the said limits.

As per the provisions of Section 186 of the Companies Act, 2013, No company shall directly or indirectly (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding Sixty percent of its Paid-up Capital, Free reserves and Securities Premium or Hundred Percent of its Free Reserves and Securities Premium account, whichever is more.

Where such giving of any loan or guarantee or providing any security or the acquisition exceeds the limits specified, under Section 186 of the Companies Act, 2013 prior approval by means of a Special Resolution passed at a General Meeting.

The Directors are satisfied that this resolution would be in the interest of the Company and its members and accordingly recommended to pass the resolution as SPECIAL RESOLUTION.

Directors, their relatives and Key Managerial Personnel and who are members of the Company, may be deemed to be concerned or interested in this Resolution to the extent of their respective Shareholding in the Company to the same extent as that of every other member of the Company.

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.
- iv. **Financial performance based on given indicators:** Financial Performance of the Company for the year ended 31st March, 2020

FINANCIAL PERFORMANCE	AMOUNT (IN LACS)
REVENUE FROM OPERATIONS	6652.25
OTHER INCOME	73.24
TOTAL EXPENDITURE	6482.04
NET PROFIT BEFORE TAX	243.45
PROFIT AFTER TAX (AFTER DEDUCTING COMPREHENSIVE INCOME)	178.90

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 80 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. He is giving his valuable service to the Company since 2006.

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

Remuneration will remain the same as paid during the Previous Year

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 31stMarch, 2020. He is father of Managing Director Mr. Pritesh Y. Shah and father in law of Dimple P. Shah, Director of the Company.

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

The Company is engaged in the business of manufacturing and selling various types of Chemicals, Dyes and Intermediates etc. During the Year 2019-20, the Company made Profit after Tax of Rs.178.90 Lacs.

The remuneration proposed is within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013.

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.
- And all other economic measures are being adopted to maintain profitability.

3. Expected increase in productivity and profits in measurable terms

We had made all Continuous Efforts to expand marketing and economy in operations.

Item No. 5,6 & 7

Pursuant to provisions of Section 186 and 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 its related parties.

Your Company has some related party transactions with M/s. Yasons Chemex Care Ltd, M/s. Yash Corporation and with M/s. Yash Chem which is likely to increase during the Financial year 2020-21 and will be considered as Material Related Party Transactions. The Audit Committee and Board of Directors of the Company at its meeting held earlier has accorded its 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. 6 Crores p.a.
2.	Yasons Chemex Care Limited	<ul style="list-style-type: none"> • Mr. Pritesh Y. Shah, Managing Director • Mrs. Dimple P. Shah relative of Managing Director 	Company having Common Director	Purchase and Sales of chemicals	To the extent of Rs. 12 Crores p.a.

3.	Yash Corporation	<ul style="list-style-type: none"> • Mr. Pritesh Y. Shah is Karta of Pritesh Y. Shah-HUF. • Mrs. Dimple P. Shah and Mr. Yashwantlal C. Shah are relatives of Managing Director 	Pritesh Y. Shah-HUF is a Proprietor of Yash Corporation.	Purchase, Sale and Supply of Goods and Services	To the extent of Rs.6 Crores p.a.

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.5, 6 & Item No. 7 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.

Item No: 8

Ms. Vrusha A. Patel (DIN:07772669) aged 25 Years, was appointed as Independent Director of the Company w.e.f. May 29, 2017 in compliance with Section 149 of the Companies Act, 2013 and her current tenure as an Independent Director will end as on 29th May, 2021.

In terms of Section 149 of the Companies Act, 2013 every Independent Director shall hold office for a term upto 5 Consecutive Years on the Board of the Company. Any re-appointment of such Independent Director shall be approved by the Members of the Company by way of Special Resolution.

Nomination and Remuneration Committee ('NRC') at their meeting held on 29th August, 2020 considered the performance evaluation of Ms. Vrusha Patel during their tenure and considering her contribution, skill sets and rich experience and has recommended her re-appointment.

Board of Directors at their meeting held on 03rd September, 2020 considered the recommendation of NRC and approved the re-appointment of Ms. Vrusha Patel as Independent Director for the Second term of one year, subject to approval of Members.

In terms of Section 160 of the Companies Act, 2013 the Company has received a notice in writing from a Member proposing the candidature of Ms. Vrusha A. Patel to be re-appointed as Independent Director of the Company.

The Company has also received consent letter and declaration from Ms. Vrusha Patel confirming her eligibility for re-appointment as Independent Directors for the second term in line with the requirements of Companies Act, 2013 and Listing Regulations.

Ms. Vrusha A. Patel is not related to any other Director of the Company.

A brief profile of Ms. Vrusha Patel is annexed to the Notice.

In the opinion of the Board, Ms. Vrusha Patel fulfil the conditions specified in the Companies Act, 2013 and Listing Regulations and is independent of the management. Except Ms. Vrusha Patel, none of the other Directors, Key Managerial Personnel, Promoters or their relatives are in any way concerned or interested, financially or otherwise, in their respective resolution.

The Board recommends passing of the proposed resolution stated in Item No.8 as Special Resolution.

BRIEF RESUME OF DIRECTOR(S) APPOINTMENT/RE-APPOINTMENT AT THE 14TH ANNUAL GENERAL MEETING OF THE COMPANY

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

Name of the Director	Yashwantlal C. Shah	Vrusha A. Patel
Director Identification Number (DIN)	01002342	07772669
Date of Birth	August 03, 1941	June 25, 1995
Age (in Years)	80 years	25 Years
Nationality	Indian	Indian
Date of Appointment (DD/MM/YYYY)	June 03, 2006	May 29, 2017
Qualification	B.Com	Company Secretary
Nature of expertise in specific functional areas	Management	Companies Act, 2013 and other Laws

Number of Equity Shares held in the Company By Self: As a Beneficial Owner of:	6,03,850 7,49,192 (as Yashwantlal C. Shah – HUF)	--
Number of Board Meetings attended during the Financial Year 2019-20	10 (Ten)	4
Directorships held in other Companies (excluding Foreign Companies and Section 8 Companies)	None	1
Chairmanships of Committees in other companies	None	None
Memberships of Committees in other companies	None	1

<p>Relationships between directors inter-se</p>	<p>Father of Mr. Pritesh Y. Shah and Father in Law of Mrs. Dimple P. Shah</p>	<p>There is no relationship with other Directors on the Board.</p>
<p>Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person.</p>	<p>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</p>	<p>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</p>

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

**Place: Ahmedabad
Date: September 03, 2020**

**Charmi Shah
Membership No: A61029**



Dear Shareholders,

I am delighted to share with you my thoughts at the end of what has been a satisfying financial year for Yash Chemex Limited. Amid an uncertain Global Economic Environment and Challenging Industry dynamics, we continued to perform with resistance. And it has taken endurance and passion to reach here and we are not stopping yet. Our strategy is to maintain our strengths in Chemicals Business while growing the Business.

It gives me immense pleasure to share with you our performance for the year gone by and the Journey ahead. The year gone by was marked by challenging business environment on several fronts. During the year, our revenue from continuing operations was Rs.7847.74 Lacs against the expenses of Rs.7539.53 Lacs. And the Profit after tax is Rs. 295.26 Lacs.

And at last I would like to thank all our stakeholders, who over the years have made this a memorable journey. And I seek the support and guidance of all our stakeholders in this endeavour.

Best Regards,

Pritesh Y. Shah

Managing Director

DIRECTORS' REPORT

TO
The Members of
Yash Chemex Limited

Your Directors have pleasure in presenting the Directors' Report along with the Audited Financial Statements for the Financial Year (F.Y.) 2019-20.

FINANCIAL SUMMARY:

Your Company's Standalone and Consolidated performance during the Financial Year (F.Y.) 2019-20 as compared with that of the previous Financial Year (F.Y.) 2018-19 is summarized below:-

(Amount in Lacs)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Total Income	6725.49	9243.37	7941.56	9937.01
Profit Before Taxation & Exceptional Items	243.45	274.90	402.04	369.09
Add: Exceptional Items	0	0	0	0
Profit Before Taxation (PBT)	243.45	274.90	402.04	369.09
Less: Tax Expense	(64.55)	(79.81)	106.78	109.06
Profit after Taxation (PAT)	178.90	195.08	295.26	260.03

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.) 2019-20.

Your Company operates single segment business viz. Trading of Chemical. At standalone level, the net revenue from operations stood at Rs. 67.25 crores compared with Rs. 92.43 Crores in the Previous Year. The operating profit before tax stood at Rs. 2.43 crores as against Rs. 2.74 crores in the Previous Year. Total Comprehensive Income for the year after tax stood at Rs. 2.93 crores compared to Rs. 3.13 crores reported in the Previous Year. The Net Consolidated Revenue from operations for financial year 2019-20 was at Rs. 79.41 Crores as against Rs. 99.37 crores in the Previous Year. The Consolidated operating profit before tax stood at 4.02 crores as against Rs. 3.69 crores in the Previous Year. Total Comprehensive Income for the year after tax stood at Rs. 4.10 crores compared to Rs. 3.78 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.yashchemex.com.

COVID-19

The operations of the Company were affected due to the lockdown announced by the Government of India to control the spread of Corona virus. The Company's trading operations were hit substantially from 24th March, 2020 till 20th May, 2020 when lockdown was gradually lifted with the certain limitations. Corporate Offices and godowns were fully shut during this lockdown period. And the company had resumed operations from 20th May, 2020 with the functioning guidelines issued by Ministry of Home Affairs (MHA). The Company has adhered to the Guidelines as specified by the Government of India and complying with all safety measures to safeguard its employees from COVID-19 disease. The Company has formulated policy for work from home for all employees.

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, 2020, and the date of this Directors' Report.

DIVIDEND

Your Directors have not recommended any dividend for the Financial Year 2019-20.

TRANSFER TO RESERVES

Your Company has earned adequate profit during the financial year 2019-20. The directors have decided to plough back the profit into the business and 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, 2019 and 31st March, 2020. On 31st March, 2020, the

Equity Share Capital stood at Rs. 1024.34 Lacs, divided in to 10243425 Equity Shares of Rs. 10 each.

EXTRACT OF ANNUAL RETURN

In terms of provisions of Section 92, 134(3)(a) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return of the Company in Form MGT-9 are annexed as **Annexure B** to this Annual 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. Yashwant C. Shah, Whole Time Director, aged 80 years has been re-appointed as a Whole Time Director in the Company for a period of 3 (Three) Years with effect from 3rd September, 2019 to 2nd September, 2022

In accordance with the Act and Articles of Association of the Company, Mr. Yashwant C. Shah, Whole Time Director, retires by rotation and and being eligible himself for reappointment. The Nomination and Remuneration Committee and the Board of Directors recommended his Re-appointment.

Mr. Yashwant C. Shah shall retire by rotation at the ensuing 14th Annual General Meeting (AGM) of the Company in accordance with the provisions of the Section 152 of Companies Act, 2013 and being eligible offer himself for re-appointment.

Ms. Vrusha A. Patel (DIN:07772669), Non-Executive Director has been re-appointed as a Non-Executive Independent Director of the Company in accordance with the provisions of the Section 149, 152 of the Companies Act, 2013 .

Board of Directors at their meeting held on 03rd September, 2020 considered the recommendation of NRC and approved the re-appointment of Ms. Vrusha Patel as Independent Director for the Second term of one year, subject to approval of Members.

Ms. Aesha J. Mashru, resigned from the post of Company Secretary of the Company w.e.f. September 01, 2019 in terms of the provisions of Section 168 of the Companies Act, 2013.

Ms. Charmi D. Shah appointed as a Company Secretary of the Company w.e.f December, 24, 2019 pursuant to Rule 8A of the Companies Appointment and Remuneration of Managerial Personnel Rule, 2014 and such other applicable provisions of the Companies Act, 2013 .

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 2019-20:-

1. Mr. Pritesh Y. Shah -Managing Director

2. Mr. Yashwantlal C. Shah-Whole Time Director
3. Mrs. Dimple P. Shah-Director
4. Ms. Aesha J. Mashru-Company Secretary and Compliance Officer (Resigned w.e.f 01st September, 2019)
5. Ms. Charmi D. Shah-Company Secretary and Compliance Officer (Appointed as on 24th December, 2019)
6. Mr. Kiritkumar H. Shah –Chief Financial 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, 2020, the following Directors on the 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 10 (Ten) Meetings of the Board of Directors held during the Financial Year (F.Y.) 2019-20, (i.e., May 28, 2019, May 30, 2019, June 25, 2019, July 12, 2019, August 09, 2019, September 05, 2019, November 14, 2019, December 24, 2019, January 17, 2020 and February 11, 2020).

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

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has an ongoing Programme where Directors in the course of meeting of the Board of Directors give information about Chemical Business developments, Expansion of the Company and various amendments in legal and regulatory areas which include –
Assess the quality, quantity and timelines of flow of information between the Company management and the board that is necessary for the Board Members to effectively and reasonably perform their duties.

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. Angee 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 2019-20, 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 2019-20 (i.e., on May 28, 2019, July 12, 2019, August 09, 2019, November 14, 2019 and February 11, 2020).

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 4 (Four) Meetings of the Nomination and Remuneration Committee held during the Financial Year 2019-20 (i.e., on May 28, 2019, July 12, 2019, September 05, 2019 and January 02, 2020).

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. Anjee R. Shah (Member –Non-Executive-Independent Director)
3. Ms. Vrusha A. Patel (Member - Non-Executive-Independent Director)

During the Financial Year 2019-20, 3 (Three) Meeting of the Stakeholders' Relationship Committee was held, i.e., on April 05, 2019, July 15, 2019 and January 13, 2020.

MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors met once during the Financial Year 2019-20 i.e., on March 20, 2020. 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, 2020:

1. Mrs. Dimple P. Shah (Chairperson)
2. Ms. Angee R. Shah (Member)
3. Ms. Khiloni H. Sheth (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 2019-20.

SIGNIFICANT REGULATORY OR COURT ORDERS:

During the Financial Year 2019-20, 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 44 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 transaction 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.) 2019-20, 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 judgements 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, 2020) and of the profit and loss of the Company for that period (i.e., the Financial Year 2019-20);
- 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 board and members approved the Appointment of M/S Harshad Sudhir & Co., Chartered Accountants (Registration No: 129775W) at the 13th AGM for a term of 5 Years from the Financial Year 2019-20 on such terms and conditions. As on 28th May, 2020 the Company has received a Certificate stating the merger of their Firm M/S Harshad Sudhir & Co. into M/S H S K & CO., Chartered Accountants (FRN: 117014W) w.e.f 29th February, 2020. The audit of our company will be handled by M/S H S K & CO., Chartered Accountants w.e.f 01st March, 2020 .

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 effect from 01st March, 2020. After conducting a detailed evaluation and based on the recommendation of Audit Committee, the Board approved the proposal for placing at the 14thAGM the matter of appointment of M/S H S K & CO., Chartered Accountants (FRN: 117014W) as statutory auditors of the Company on the same terms and conditions including remuneration and tenure on which M/s Harshad Sudhir & Co. was appointed by the shareholders and board of directors of the Company. A resolution to that effect forms part of notice of the 14thAGM sent along with this Annual Report.

AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s. H S K & Co., Statutory Auditors (FRN: 117014W), in their report for the financial year ended March 31, 2020. 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.) 2019-20.

There are no qualifications, reservations, adverse remarks and disclaimers of the Secretarial Auditors in their Secretarial Audit Report for the Financial Year (F.Y.) 2019-20.

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
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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	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. As on March 31, 2020, Yasons Chemex Care Limited is a material unlisted subsidiary of your Company. Subsidiary of your Company.
3.	Nomination and Remuneration Policy	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.
4.	Policy on Familiarization Programmes for Independent Directors	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.
7.	Whistle Blower Policy / Vigil Mechanism	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.
6.	Policy on Prevention of Sexual Harassment at Workplace	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.
7.	Policy on Related Party Transactions	This Policy regulates all transactions between the Company and its Related Parties.
8.	Code of Conduct for the Board of Directors and Senior Management Personnel	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 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 2019-20 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 10.00 a.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.

During the year under review, Your Company has not transferred any unclaimed amount and Shares to IEPF Authority.

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.

ACKNOWLEDGEMENT:

The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support.

The Directors also thank the Government of India and our State Government and agencies for their co-operation.

The Directors regret the loss of life due to Covid-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

The Directors appreciate and value the contribution made by every member of the Yash Chemex Limited.

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

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Date: July 10, 2020
Place: Ahmedabad

ANNEXURE-A
Form AOC-1

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

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

Part "A": Subsidiaries

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

Sr. No.	1.
Name of the Subsidiary	Yasons Chemex 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	817.91
Total assets	2058.08
Total Liabilities	650.09
Investments	NIL

Turnover	1961.55
Profit before taxation	158.23
Provision for taxation	42.22
Profit after taxation	116.36
Proposed Dividend	Nil
Extent of Shareholding (in Percentage)	51.29

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 2020
[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, SIGMA ICON-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.	Yasons Chemex Care Limited 4 th Floor, 412 Sigma Icon-1, 132ft Ring Road, opp. Medilink Hospital, Satellite, Ahmedabad-380015.	U24304GJ2017PLC099511	Subsidiary	51.29%	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 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	5122175	0	5122175	50.00	5335353	0	5253946	52.08	2.08
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-

e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	5122175	0	5122175	50.00	5335353	0	5335353	52.08	2.08
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) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions									

a) Bodies Corp. (i) Indian (ii) Overseas	139335	0	0	1.36	73346	0	73346	0.72	(0.64)
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	710278	-	710278	6.93	850822	-	850822	8.31	1.37
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3739052	-	3739052	36.50	3458524	-	3458524	33.76	(2.74)
		-							
c) OTHERS									
I. CLEARING MEMBER	243318	-	243318	2.38	230963	-	230963	2.25	(0.12)
II NRI	—	-	—	—	30421	-	30421	0.30	0.03
REPAT	40001	-	40001	0.39	40006	-	40006	0.39	0
NON REPAT									
III ANY OTHERS	221610	-	221610	2.16	223990	-	223990	2.19	(0.03)
TOTAL	532585	-	532585	5.20	525380	-	525380	5.13	(0.07)
Sub-total(B)(2)	5121250	-	5121250	50.00	4908072	-	4908072	47.91	(2.08)

Total Public Shareholding (B)=(B)(1)+ (B)(2)	5121250		5121250	50.00	4908072		4908072	47.91	(2.08)
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	1760004	17.18	-	1866046	18.21	-	1.03
2.	Yashwantbhai C. Shah	603850	5.90	-	603850	5.90	-	0
3.	Pritesh Y. Shah-HUF	908747	8.87	-	992318	9.68	-	0.81
4.	Yashwantbhai C. Shah-HUF	749192	7.31	-	749192	7.31	-	0
5.	Dimple P.	780500	7.62	-	804065	7.84	-	0.22
6.	Chandrika Y. Shah	319882	3.12	-	319882	3.12	-	0
	Total	5122175	50.00	-	5335353	51.25	-	2.07

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	1760004	15.02		17.18
	Acquired from Open Market on 26.04.20	16,600	0.16	17,76,604	17.34
	Acquired from Open Market on 17.05.19	8,260	0.08	17,84,864	17.42
	Acquired from Open Market on 24.05.19	10,108	0.10	17,94,972	17.52
	Acquired from Open Market on 28.06.19	22,305	0.22	18,17,277	17.74
	Acquired from Open Market on 27.09.19	17,762	0.17	18,35,039	17.91
	Acquired from Open Market on 11.10.19	3,500	0.04	18,38,539	17.95
	Acquired from Open Market on 22.11.19	2,179	0.02	18,40,718	17.97
	Acquired from Open Market on 29.11.19	18,087	0.18	18,58,805	18.15
	Acquired from Open Market on 06.12.19	7,241	0.07	18,66,046	18.22
	At the end of the Year	18,66,046	18.22	18,66,046	18.22
2.	Yashwantlal C. Shah				
	At the beginning of the year	6,03,850	5.90	6,03,850	5.90
	At the end of the Year	6,03,850	5.90	6,03,850	5.90
3.	Pritesh Y. Shah- HUF				
	At the beginning of the year	9,08,747	8.87	9,08,747	8.87
	Acquired from Open Market on 12.04.19	43,045	0.42	9,51,792	9.29
	Acquired from Open Market on 03.05.19	3,000	0.03	9,54,792	9.32
	Acquired from Open Market on 21.06.19	23,537	0.23	9,78,329	9.55
	Acquired from Open Market on 28.06.19	19,332	0.19	9,97,661	9.74

	Acquired from Open Market on 09.08.19	1,000	0.01	9,98,661	9.5
	Acquired from Open Market on 06.09.19	2,000	0.02	10,00,661	9.77
	Acquired from Open Market on 13.09.19	8,533	0.08	10,09,194	9.85
	Acquired from Open Market on 20.09.19	287	0.00	10,09,481	9.85
	Acquired from Open Market on 27.09.19	2,470	0.03	10,11,951	9.88
	Acquired from Open Market on 30.09.19	6,645	0.06	10,18,596	9.94
	Acquired from Open Market on 04.10.19	22,019	0.22	10,40,615	10.16
	Acquired from Open Market on 11.10.19	7,760	0.07	10,48,375	10.23
	Acquired from Open Market on 29.11.19	1,980	0.02	10,50,355	10.25
	Disposal in Open Market on 13.03.20	(33,045)	(0.32)	10,17,310	9.93
	Disposal in Open Market on 20.03.20	(24,992)	(0.24)	9,92,318	9.69
	At the end of the Year	9,92,318	9.69	9,92,318	9.69
4.	Yashwant C. Shah- HUF				
	At the beginning of the year	7,49,192	7.31	7,49,192	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
	Acquired from Open Market on 19.04.19	4,965	0.05	7,85,465	7.67
	Acquired from Open Market on 26.04.19	5,160	0.05	7,90,625	7.72
	Acquired from Open Market on 17.05.19	7,040	0.05	7,97,665	7.79
	Acquired from Open Market on 29.11.19	6,400	0.06	8,04,065	7.85
	At the end of the Year	8,04,065	7.85	8,04,065	7.85
6.	Chandrika Y. Shah				
	At the beginning of the year	3,19,882	3.13	3,19,882	3.13
	At the end of the Year	3,19,882	3.13	3,19,882	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 compa ny				No. of shares	% of total shares of the compa ny
1.	Lalit K. Patel	10,53,750	10.29	31/03/19	-	-	10,53,750	10.29
				24/05/19	(15,000)	Sale	10,38,750	10.14
				31/05/19	(15,000)	Sale	10,23,750	9.99
				14/06/19	(8,500)	Sale	10,15,250	9.91
				21/06/19	(27,921)	Sale	9,87,329	9.64
				28/06/19	(6,000)	Sale	9,81,329	9.58
				12/07/19	(6,500)	Sale	9,74,829	9.52
				19/07/19	(5,211)	Sale	9,69,618	9.47
				16/08/19	(1,000)	Sale	9,68,618	9.46
				13/09/19	(68,501)	Sale	9,00,117	8.79
				20/09/19	(40,424)	Sale	8,59,693	8.39
				27/09/19	(16,000)	Sale	8,43,693	8.24
				25/10/19	(7,000)	Sale	8,36,693	8.17
				01/11/19	(1,760)	Sale	8,34,933	8.15
				22/11/19	(10,500)	Sale	8,24,433	8.05
				13/12/19	(5,537)	Sale	8,18,896	7.99
				20/12/19	(7,103)	Sale	8,11,793	7.93
				27/12/19	(8,000)	Sale	8,03,793	7.85
				10/01/20	(17,090)	Sale	7,86,703	7.68
				24/01/20	(2,485)	Sale	8,84,218	7.66
				31/01/20	(1,200)	Sale	7,83,018	7.64
				07/02/20	(650)	Sale	7,82,368	7.64
				31/03/20	--	--	7,82,368	7.64
2.	B P EQUITIES PVT LTD	100650	0.98	31/03/19	--	--	1,00,650	0.98
				05/04/19	56738	Buy	1,57,388	1.54
				12/04/19	5057	Buy	1,62,445	1.59
				19/04/19	1994	Buy	1,64,439	1.61

				26/04/19	(4253)	Sale	1,60,186	1.56
				03/05/19	(73286)	Sale	86,900	0.85
				17/05/19	1080	Buy	87,980	0.86
				24/05/19	(1447)	Sale	86,533	0.84
				31/05/19	2891	Buy	89,424	0.87
				07/06/19	3052	Buy	92,476	0.90
				14/06/19	(3052)	Sale	89,424	0.87
				28/06/19	(22)	Sale	89,402	0.87
				05/07/19	(218)	Sale	89,184	0.87
				12/07/19	1800	Buy	90,984	0.89
				26/07/19	1298	Buy	92,282	0.90
				16/08/19	898	Buy	93,180	0.91
				06/09/19	(50698)	Sale	42,482	0.41
				13/09/19	6029	Buy	48,511	0.47
				20/09/19	1000	Buy	49,511	0.48
				27/09/19	(3000)	Sale	46,511	0.45
				30/09/19	(42313)	Sale	4,198	0.04
				18/10/19	1494	Buy	5,692	0.06
				25/10/19	(1494)	Sale	4,198	0.04
				08/11/19	(2259)	Sale	1,939	0.02
				22/11/19	157	Buy	2,096	0.02
				29/11/19	161104	Buy	1,63,200	1.59
				13/12/19	(200)	Sale	1,63,000	1.59
				20/12/19	1171	Buy	1,64,171	1.60
				27/12/19	(322)	Sale	1,63,849	1.60
				31/12/19	(5)	Sale	1,63,844	1.60
				24/01/20	(2225)	Sale	1,61,619	1.58
				31/01/20	(515)	Sale	1,61,104	1.57
				31/03/20	--	--	1,61,104	1.57
03.	Navinbhai G. Patel	129250	1.26	31/03/19	--	--	1,29,250	1.26
				31/05/19	(1000)	Sale	1,28,250	1.25
				31/03/20	--	--	1,28,250	1.25
4.	Rinaben B. Darji	99,175	0.97	31/03/19	--	--	99,175	0.97
				21/06/19	2000	Buy	1,01,175	0.99
				23/08/19	(1175)	Sale	1,00,000	0.98
				06/09/19	(600)	Sale	99,400	0.97
				13/09/19	(400)	Sale	99,000	0.97
				20/03/20	(301)	Sale	98,699	0.96
				31/03/20	--	--	98,699	0.96
5.	Savitaben M. Patel	90,000	0.88	31/03/19	--	--	90000	0.88
				20/09/19	(7000)	Sale	83000	0.81
				31/03/20	--	--	83000	0.81

6.	Bhavesh Pareshbhai Darji	86,375	0.84	31/03/19 17/05/19 28/06/19 23/08/19 31/03/20	86,375 2100 1000 (475) --	-- Buy Buy Sale --	-- 88475 89475 89000 89000	0.84 0.86 0.87 0.87 0.87
7.	Kishorkumar V. Rakholiya	86,175	0.84	31/03/19 05/04/19 12/04/19 17/01/20 14/02/20 31/03/20	-- (3500) (3000) (1000) (1050) --	-- Sale Sale Sale Sale --	86175 82675 79675 78675 77625 77625	0.84 0.81 0.78 0.77 0.76 0.76
8.	Shaileshbhai Karsanbhai Patel	82,500	0.81	31/03/19 31/03/20	-- --	-- --	82,500 82,500	0.81 0.81
9.	Vijaykumar Karsanbhai Patel	82500	0.81	31/03/19 31/03/20	-- --	-- --	82500 82500	0.81 0.81
10.	Sunitha Kumar Sheth	75836	0.74	31/03/19 05/04/19 12/04/19 19/04/19 20/09/19 27/09/19 30/09/19 04/10/19 11/10/19 18/10/19 25/10/19 15/11/19 22/11/19 20/12/19 17/01/20 14/02/20 28/02/20 31/03/20	-- (33287) 1900 (4000) 1429 (1088) (20) (100) (385) (25) (200) (450) (1500) (50) (270) (3911) (25) --	-- Sale Buy Sale Buy Sale Sale Sale Sale Sale Sale Sale Sale Sale Sale Sale Sale --	75836 42549 44449 40449 41878 40790 40770 40670 40285 40260 40060 39610 38110 38060 37790 33879 33854 33854	0.74 0.42 0.43 0.39 0.41 0.40 0.40 0.40 0.39 0.39 0.39 0.39 0.37 0.37 0.37 0.33 0.33 0.33
11.	RAJESH KARSHANDAS PATEL	75,000	0.73	31/03/19 31/03/20	-- --	-- --	75,000 75,000	0.73 0.73

V. Shareholding of Directors and Key Managerial Personnel:

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	1760004	15.02		17.18
	Acquired from Open Market on 26.04.20	16,600	0.16	17,76,604	17.34
	Acquired from Open Market on 17.05.19	8,260	0.08	17,84,864	17.42
	Acquired from Open Market on 24.05.19	10,108	0.10	17,94,972	17.52
	Acquired from Open Market on 28.06.19	22,305	0.22	18,17,277	17.74
	Acquired from Open Market on 27.09.19	17,762	0.17	18,35,039	17.91
	Acquired from Open Market on 11.10.19	3,500	0.04	18,38,539	17.95
	Acquired from Open Market on 22.11.19	2,179	0.02	18,40,718	17.97
	Acquired from Open Market on 29.11.19	18,087	0.18	18,58,805	18.15
	Acquired from Open Market on 06.12.19	7,241	0.07	18,66,046	18.22
	At the end of the Year	18,66,046	18.22	18,66,046	18.22
2.	Yashwantlal C. Shah				
	At the beginning of the year	6,03,850	5.90	6,03,850	5.90
	At the end of the Year	6,03,850	5.90	6,03,850	5.90
3.	Dimple P. Shah				
	At the beginning of the year	780500	7.62	780500	7.62
	Acquired from Open Market on 19.04.19	4,965	0.05	7,85,465	7.67
	Acquired from Open Market on 26.04.19	5,160	0.05	7,90,625	7.72
	Acquired from Open Market on 17.05.19	7,040	0.05	7,97,665	7.79
	Acquired from Open Market on 29.11.19	6,400	0.06	8,04,065	7.85
	At the end of the Year	8,04,065	7.85	8,04,065	7.85

VI. 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	--	--	18,90,210	18,90,210
ii) Interest due but not paid				
iii) Interest accrued but not paid				
Total (i+ii+iii)	--	--	18,90,210	18,90,210
Change in Indebtedness during the financial year				
- Addition	--	2,03,19,836	--	2,03,19,836
- Reduction	--	(31,42,047)	(18,90,210)	(50,32,257)
Net Change	--	1,71,77,789	(18,90,210)	1,52,87,579
Indebtedness at the end of the financial year				
i) Principal Amount	--	1,71,77,789	--	--
ii) Interest due but not paid	--		-	--
iii) Interest accrued but not due	--			
Total (i+ii+iii)	--	1,71,77,789	--	1,71,77,789

VII. 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)	Dimple P. Shah (Director)	
1.	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,00,000	13,00,000	7,00,000	38,00,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total(A)	18,00,000	13,00,000	7,00,000	38,00,000
	Ceiling as per the Act				

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Angee R. Shah	Vrusha A. Patel	Jinal D. Shah	
	Independent Directors				-
	·Fee for attending board committee meetings	3000	10000	7500	20500
	·Commission				
	·Others, please specify	22000	10000	7500	39500
	Total (1)	25000	20000	15000	60000
	<u>Other Non-Executive Directors</u>				
	·Fee for attending board committee meetings	-	-	-	-
	·Commission			-	
	·Others, please specify				
	Total (2)	-	-	-	-
	Total (B)=(1+2)	25000	20000	15000	60000
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act				

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

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary	Company Secretary	CFO	Total
	Name	Aesha Mashru (Up to 01.09.2019)	Charmi Shah (W.e.f 24.12.2020)	Kiritkumar H. Shah	
1.	Gross salary (a)Salary as per provisions contained in section 17(1) of the	91487.00	122376.00	173407.00	387270.00

	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				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as% of profit -others, specify...				
5.	Others, please specify				
6.	Total	91487.00	122376.00	173407.00	387270.00

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: 10/07/2020

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

ANNECURE-C

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

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

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

Ahmedabad-380015.

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, 2020 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, 2020 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 Byelaws 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 Wages Act, 1936 and other applicable labor laws.(Not applicable to the Company during the audit period).
- (vii) Payment of Gratuity Act, 1972
- (viii) Environment Protection Act, 1986 and other environmental laws;
- (ix) Factories Act, 1948; - (Not applicable to the Company during the audit period)
- (x) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003
- (xi) Indian Contract Act, 1872;
- (xii) Income Tax Act, 1961 and Indirect Tax laws;
- (xiii) Indian Stamp Act, 1999;
- (xiv) Industrial Dispute Act, 1947; -(Not applicable to the Company during the audit period)
- (xv) Negotiable Instruments Act, 1881;
- (xvi) Motor Vehicles Act, 1988
- (xvii) The Motor Transport Workers Act. 1961
- (xviii) The Explosive Act, 1884
- (xix) The Petroleum Act, 1934

(xx) The Environment (Protection) Act, 1986

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

(xxii) 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 the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India under the provisions of the 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;

a) The Company was not appointed Company Secretary as the Compliance officer from the 1st September, 2019 to 23rd December, 2019 under the regulation 6(1) of SEBI (LODR) Regulations, 2015.

b) The Company was not intimate within the time period for stock exchange about the meeting of the board of directors as on 14th November, 2019 [Quarterly unaudited Financial Results] under the Regulation 29(2)/29(3) of SEBI (LODR) Regulations, 2015.

I further report that

The Board of Directors of the Company is duly constituted with the 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: 26.08.2020

For, YASHREE DIXIT & ASSOCIATES
Practicing Company Secretaries

Yashree Dixit
Proprietor
ACS-52508 COP-19206
UDIN:A052508B000619899

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

**Place: Ahmedabad
Dated: 26.08.2020**

**For, YASHREE DIXIT & ASSOCIATES
Practicing Company Secretaries**

**Yashree Dixit
Proprietor
ACS-52508 COP-19206
UDIN:A052508B000619899**

Notes:

- (i) Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct.
- (ii) This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to Financial Year 2019-2020. We are not commenting on the Statutory Compliances whose due dates are extended by Regulators from time to time due to COVID-19 or still there is time line to comply with such compliances.

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, 2020 (Rs. in lakhs)	% increase in the remuneratio n in the year ended March 31, 2020	Ratio in the remuneration of each Director to the median remuneration of the employees
1.	Mr. Yashwantlal C. Shah, Chairman	13.00	--	7.51:1
2.	Mr. Pritesh Y. Shah, Managing Director	18.00	--	10.40:1
3.	Mr. Dimple p. Shah, Director	7.00	--	4.04:1
4.	Mr. Kiritkumar Shah, CFO	1.73	--	1:1
5.	Ms. Aesha Mashru, Company Secretary (*)	0.91	--	0.52:1
6.	Ms. Charmi Shah,(**) Company Secretary	1.22	--	0.70:1

[* Salary of Ms. Aesha J. Mashru , Company Secretary is for the period of 01st April, 2019 to 1st September, 2019.

**Salary mentioned for Ms. Charmi Shah, Company Secretary is given for the Period from 24th Day of December, 2019 (Date of Apointment) till 31st March, 2020]

- Remuneration mentioned above is for full year.
- For this purpose, sitting fees paid to the directors has not been considered as remuneration.
- The median remuneration of employees of the Company during the year ended March 31, 2019 was Rs. 173407.
- During the year ended March 31, 2020, there was an increase of in the median remuneration of employees is NIL.
- As on March 31, 2020, the Company had 9 permanent employees.
- During the financial year 2019-20, there was an average increase in the salaries of employees other than the key managerial personnel. - NIL

**CORPORATE GOVERNANCE REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020**

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, 2020.

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. Appropriate Governance Structure with Defined Roles and Responsibilities

The Chairman takes a lead role in managing the Board and facilitating effective communication among Directors. The Chairman actively works with the Human Resources, Nomination and Remuneration Committee to plan the Board and Committees’ composition, induction of directors to the Board, plan for Director’s succession and provide constructive feedback and advice on performance evaluation to directors. The Company Secretary assists the Chairman in management of Board’s administrative activities such as meetings, schedules, agendas, communications and documentations.

The Chairman is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and all its stakeholders. The Chairman guides the Board for effective governance in the company.

3. Audits And Internal Checks And Balances

M/S H S K & CO, Chartered Accountants are the Statutory Auditor of the Company. The Statutory Auditors and the Group Internal Audit perform independent reviews of the ongoing effectiveness of Yash Chemex Limited which integrates the various components of the systems of internal control.

4. 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, 2020.

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

Category	No. of Directors on Board as on March 31, 2020	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
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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/ polices 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.) 2019-20, 10 (Ten) Board Meetings were held i.e., on May 28, 2019, May 30, 2019, June 25, 2019, July 12, 2019, August 09, 2019, September 05, 2019, November 14, 2019, December 24, 2019, January 17, 2020 and February 11, 2020 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: -

Annual Report 2019 – 2020

Sr. No.	Name of the Director	Category of Director	Inter-se Relationship amongst Directors	Appointment / Cessation during the Financial Year 2019-20	No. of Board Meetings attended during the Financial Year 2019-20	Whether attended last AGM held on September 30, 2019 (Present / Absent)	Directorships held in other public Companies incorporated in India as on March 31, 2020	Number of Chairmanship/ Membership in Board Committees in other companies as on March 31, 2020	
								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 with effect from	10/10	Yes	Nil	Nil	Nil

Annual Report 2019 – 2020

				September 03, 2019					
2.	Mr. Pritesh Y. Shah (DIN:00239665)	Promoter, Non-Executive, Non-Independent	1.Son of Mr. Yashwantlal C. Shah 2.Husband of Mrs. Dimple P. Shah	N/A	10/10	Yes	1	Nil	1
3.	Mrs. Dimple P. Shah (DIN:06914755)	Executive, Non-Independent	1. Wife of Mr. Pritesh Y. Shah 1. 2. Daughter in law of Mr. Yashwantlal C. Shah	N/A	10/10	Yes	1	Nil	Nil
4.	Mr. Jinal D. Shah (DIN:07467703)	Non-Executive, Independent	-	-	10/10	Yes	Nil	3	Nil
5.	Ms. Angee R. Shah	Non-Executive,	-	-	3/10	Yes	2	Nil	3

Annual Report 2019 – 2020

	(DIN:07486980)	Independent							
6.	Ms. Vrusha A. Patel (DIN:07772669)	Non-Executive, Independent	-	-	4/10	Yes	1	Nil	3

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;

Annual Report 2019 – 2020

- 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.
- e. Number of Equity Shares held by the Directors of the Company and the Dividend paid to them during the Financial Year 2019-20:-

Sr. No.	Name of Director	Shares held as on March 31, 2020	Dividend paid during the Financial Year 2019-20 (in Rs.)
1.	Mr. Pritesh Y. Shah	18,66,046	Nil
2.	Mr. Yashwantlal C. Shah	6,03,850	Nil
3.	Mrs. Dimple P. Shah (Re-appointed w.e.f 30.09.2019)	8,04,065	Nil
5.	Mr. Jinal D. Shah	Nil	Nil
6.	Ms. Angee R. Shah	Nil	Nil
7.	Ms. Vrusha A. Patel	Nil	Nil

f. Directors seeking Appointment / Re-appointment:

Mr. Yashwant C. Shah Executive Director of the Company is liable to retire by rotation at the ensuing 14th(Fourteenth) AGM of your Company and being eligible, have offered herself for re-appointment.

Ms. Vrusha A. Patel (DIN:), Non-Executive Director has been re-appointed as a Non-Executive Independent Director of the Company in accordance with the provisions of the Section 149, 152 of the Companies Act, 2013 .

Board of Directors at their meeting held on 03rd September, 2020 considered the recommendation of NRC and approved the re-appointment of Ms. Vrusha Patel as Independent Director for the Second term of one year, subject to approval of Members.

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 2019-20 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	N/A	N/A

b. Attendance details of Committee Meetings of Board of Directors during the Financial Year 2019-20 is summarized below:

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

DATE OF COMMITTEE MEETING	JINAL HAH	ANGEE SHAH	VRUSHA PATEL	PRITESH Y. SHAH
AUDIT COMMITTEE				
28/05/2019	YES	YES	YES	YES
12/07/2019	YES	YES	YES	YES
09/08/2019	YES	YES	YES	YES
14/11/2019	YES	YES	YES	YES
11/02/2020	YES	YES	YES	YES
NOMINATION AND REMUNERATION COMMITTEE				
28/05/2019	YES	YES	YES	N/A
12/07/2019	YES	YES	YES	N/A
05/09/2019	YES	YES	YES	N/A
02/01/2020	YES	YES	YES	N/A
STAKEHOLDERS RELATIONSHIP COMMITTEE				
05/04/2019	YES	YES	YES	N/A
15/07/2019	YES	YES	YES	N/A
13/01/2020	YES	YES	YES	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 nuisances 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, 2020, 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. Charmi Shah, 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.) 2019-20, there were 5 (Five) Meetings of the Audit Committee of the Board of Directors, i.e., on May 28, 2019, July 12, 2019, August 09, 2019, November 14, 2019 and February 11, 2020. 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, 2020, 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. Charmi Shah, 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 herein below 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.) 2019-20, there were 4 (Four) Meetings of the Nomination and Remuneration Committee of the Board of Directors were held i.e., on May 28, 2019 and July 12, 2019, September 05, 2019 and January 02, 2020. The necessary Quorum was present for all the Meetings of the Nomination and Remuneration of the Board of Directors held during the Financial Year 2019-20.

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. Fulfilment 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. 44 to the Standalone Financial Statements forming part of this Annual Report 2019-20.

- **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 2019-20 are as follows: -

		Sitting Fees (in Rs.)	Total

Sr. No.	Name of Non-executive Director	For Board Meetings	For Committee Meeting	(in Rs.)
1.	Mr. Jinal D. Shah	7500	7500	15,000
2.	Ms. Angee R. Shah	3000	22000	25,000
3.	Ms. Vrusha A. Patel	10000	10000	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 2019-20.

- **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, 2020, 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.) 2019-20, there were 3 (Three) Meetings of the Stakeholders' Relationship Committee of the Board of Directors were held i.e., on April 05, 2019, July 15, 2019, and January 13, 2020. The necessary Quorum was present for all the Meetings of the Nomination and Remuneration of the Board of Directors held during the Financial Year 2019-20.

Name and Designation of Compliance Officer:

Ms. Charmi Shah is the Company Secretary & Compliance Officer of the Company.

Details of Investor Complaints received during the Financial Year 2019-20, are as follows:

Complaints outstanding as on April 1, 2019	Nil
Complaints received during the year ended March 31, 2020	Nil
Complaints resolved during the year ended March 31, 2020	Nil
Complaints outstanding as on March 31, 2020	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 20, 2020, 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
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
2018-19 (13 th AGM)	September 30, 2019	05:00 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 28, 2017	–
September 29, 2018	--
September 30, 2019	-To approve payment of remuneration to Mr. Yashwantlal C. Shah (DIN; 01002342), Whole Time Director - To re-appoint Mr. Yashwantlal C. Shah (DIN:01002342), as a Whole Time Director -To re-appoint Mr. Pritesh Y. Shah (DIN:00239665), as a Managing Director - To approve payment of remuneration to Mrs. Dimple P. Shah (DIN:06914755), Director

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 11, 2018	1	- Alteration of Objects Clause in the Memorandum of Association of the Company

January 21, 2019	1	- Alteration in Articles of Association of the Company
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c. Special Resolutions passed by Postal Ballot:

During the Financial Year (F.Y) 2019-20, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules 2014, there was not any Special Resolutions passed by Shareholders through Postal Ballot.

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.) 2019-20 were in the ordinary course of business and within the limits as approved by the Shareholders. There were no material significant transactions with Related Parties during the Financial Year 2019-20 which were in conflict with the interest of the Company.

In preparation of the Financial Statements for the Financial Year (F.Y.) 2019-20, 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.) 2019-20 in Note No. 44 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 June 03, 2020. 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 behaviour 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 March31, 2020 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.) 2019-20, 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.) 2019-20, 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) 14th Annual General Meeting:

Date	Day	Time	Venue
30 th September, 2020	Wednesday	3.30P.M.	VIDEO CONFERENCING ("VC")/OTHER AUDIO VISUAL MEANS (OAVM")

c) Financial Calender:

Financial Year: From 1st April, 2019 to 31st March, 2020

During the Financial Year ended March 31, 2020, Financial Results were announced as under:

Date	Quarter / Annual
28 th May,2019	Annual
9 th August, 2019	Quarterly

14 th August, 2019	Half Yearly and Quarterly
11 th February, 2020	Quarterly

d) Book Closure Dates and Dividend Payment Date:

The Book Closure dates are from Wednesday, 23rd September, 2020 to Wednesday, 30th September, 2020 (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 2019-20 to BSE.

Payment of Depository Fees:-

Annual Custody / Issuer Fee for the Financial Year 2019-20, 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, 2020.

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, 2020:

Table 1: Monthly high and low prices and volumes of Equity Shares of the Company at BSE for the Financial Year ended March 31, 2020

Stock Exchange	BSE		
	HIGH (Rs)	LOW (Rs)	VOLUME (No. of Shares)
April 2019	101.60	85.60	6,11,760
May 2019	116.95	90	5,40,811
June 2019	105.50	88.55	2,35,335
July 2019	100.00	82.00	2,04,132
August 2019	95.00	74.05	79.35
September 2019	101.50	77.90	5,06,079
October 2019	100.00	90.35	1,69,910
November 2019	98.00	87.00	1,38,848
December 2019	97.00	70.40	76,807
January 2020	100.00	82.00	1,12,798
February 2020	95.00	78.90	1,37,559
March 2020	89.00	55.00	1,30,657

Table 2:- Company's Share Performance as compared to BSE Sensex for the Financial Year 2019-20:

Month	YCL Monthly Close Price on BSE (in Rs)	BSE Monthly Sensex Close
April 2019	99.90	39,031.55
May 2019	105.00	39,714.20
June 2019	94.40	39394.64
July 2019	83.45	37,481.12
August 2019	79.35	37,332.79
September 2019	96.35	38,667.33
October 2019	93.00	40,129.05
November 2019	87.95	40,793.81
December 2019	85.75	41,253.74
January 2020	85.15	40,723.49
February 2020	80.25	38,297.29
March 2020	70.05	29,468.49

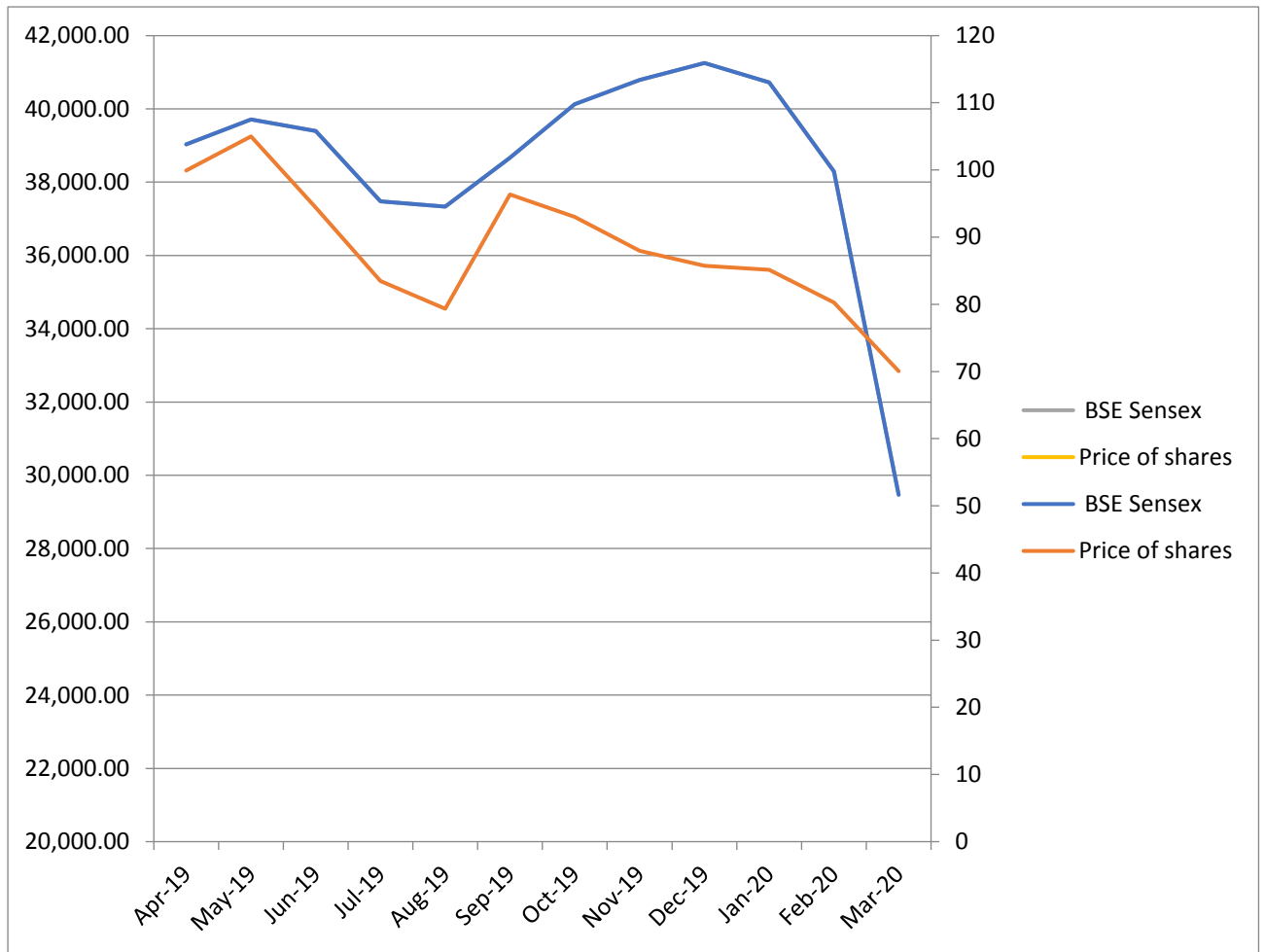


Table 3:- Distribution of Shareholding by Size as on March 31, 2020:

Number of Shares	Number of Shareholders	Shareholders %	Shareholding %
1 -5000	257	38.5886	0.3661
5001- 10000	43	6.4565	0.3353
10001- 20000	86	12.9129	1.3545
20001- 30000	38	5.7057	0.9692
30001- 40000	35	5.2553	1.2208
40001- 50000	22	3.3033	0.9856
50001- 100000	62	9.3093	4.1533

100001 & Above	123	18.4685	90.6152
Total	666	100	100

Table 4: Distribution of Shareholding by Ownership as on March 31, 2020:

Category (as being reported to Stock Exchanges)	No. of Equity Shares	% of Shareholding
CLEARING MEMBER	230963	2.25
CORPORATE BODIES	73346	0.72
NON RESIDENT INDIAN	70427	0.69
PROMOTERS	4160399	40.62
PROMOTERS / DIRECTORS	1093547	10.67
PUBLIC	4614743	45.05
Total	10243425	100

(The details given above are as per BENPOS received from Bigshare Services Private Limited, Registrar and Share Transfer Agent dated March 28, 2020.)

Shares held in physical and dematerialized form:

As on March 31, 2020, 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	65,48,412	63.93
Demat shares with CDSL	36,95,013	36.07
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 28, 2020.)

Share Transfer System:

The Company obtains from a Company Secretary in Practice, a Half Yearly Certificate (April - September 2019 and October - March 2020) 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 Practising 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, 2020.

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 & joyv@bigshareonline.com

website: www.bigshareonline.com

Credit Ratings:

During the Financial Year (F.Y.) 2019-20, the Credit Rating granted by SMERA Rating Limited to your Company has been reaffirmed at SMERA MSE -1.

Address for Correspondence:**Charmi Shah****Company Secretary**

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: joyv@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 cschami0112@gmail.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, 2020, 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 2019-20. 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 2019-20.

CEO and CFO Certification:

Mr. Pritesh Y. Shah, Managing Director and Mr. Kiritkumar Shah, Chief Financial Officer of the Company give Annual Compliance Certificate in accordance with Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations And Disclosures Requirements) Regulations, 2015 / Clause 49 of Listing Agreement with the Stock Exchange(s).

The Annual Compliance Certificate given by Chairman & Managing Director and the Chief Financial Officer is published in the Annual Report.

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

				<ul style="list-style-type: none"> • 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 (i)	Yes	<ul style="list-style-type: none"> • Composition of various Committees of Board of Directors • Code of Business Conduct and Ethics for Directors Management Personnel

				<ul style="list-style-type: none"> • 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.

I 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 2020, 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
UDIN:A052508B000619943

Place:- Ahmedabad
Date:- 26/08/2020

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

To,
The Members
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, 2020. 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 was not appointed company secretary as the Compliance officer from the 1st September, 2019 to 23rd December, 2019 under the regulation 6(1) of SEBI (LODR) Regulations, 2015.
- b) The Company was not intimate within the time period for stock exchange about the meeting of the board of directors as on 14th November, 2019 [Quarterly unaudited Financial Results] under the Regulation 29(2)/29(3) of SEBI (LODR) Regulations, 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
UDIN:A052508B000620746

Place: Ahmedabad
Date:26/08/2020

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

I, Pritesh Y. Shah, Managing Director of Yash Chemex Limited , hereby declare that all the Members of the Board of Directors and the senior management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by Board of Directors in terms of Regulation 26(3) of SEBI(LODR) Regulation, 2015.

For, Yash Chemex Limited

Date: June 03, 2020
Place: Ahmedabad

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

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, 2020 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, 2020 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: 03rd June, 2020**

**Pritesh Y. Shah
Managing Director**

**Kirit H. Shah
CFO**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMY

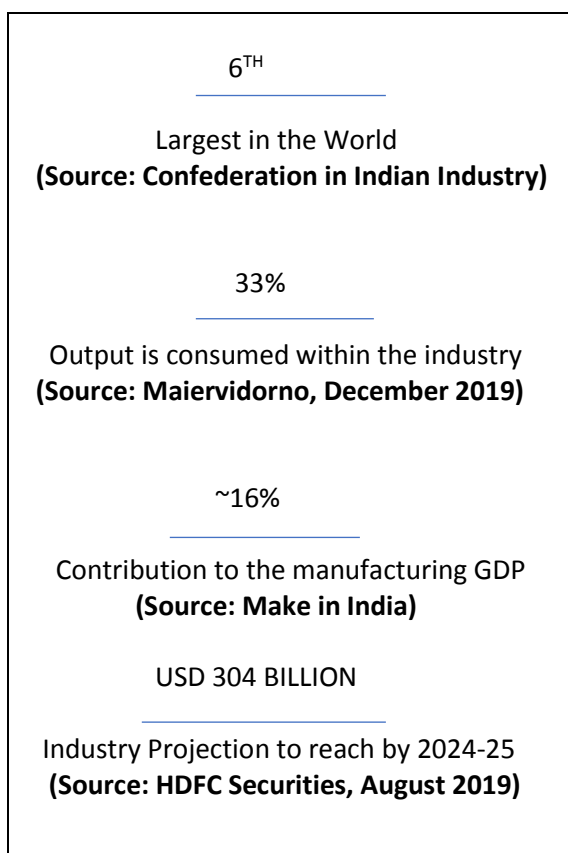
India has become the fastest-growing major economy in the world according to the Central Statistics Organization (CSO) and International Monetary Fund (IMF). India is expected to be one of the most powerful economies of the world in a period of 10 to 12 years backed by its strong democracy and partnerships.

The pace for the Chemical Industry's adoption of technology will continue to rise. More companies will invest money in the research, development and technology for the betterment of services and product quality. There will be more demand for eco-friendly chemicals and sustainability with the circular economy in the coming 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. To revive the consumption and demand, the Indian Government decreased Corporate Tax Rate from 30% to 25%. This lower tax rate is expected to benefit Yash Chemex limited through increase in its profitability in terms of value as well as margin. 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.

During the Financial Year 2019-20, India's Gross Domestic Product shrank to 4.2% as compared to 6.1% in 2018-19. This slowdown can be attributed to governance issues, falling government expenditure, subdued demand, rising NPAs, trade deficit and debt level. Responding to these, the Indian Government took various measures like opting out of RCEP deal, introducing Competition Commission of India (CCI 2.0) bill, decision to privatise few public companies, slashing down the corporate, GST and income tax rates. Even RBI reduced repo rate on various occasions to boost liquidity. Going into 2020-21, all these measures were anticipated to push the demand and supply side of Indian Economy. However, the Covid-19 outbreak lead to a nationwide lockdown, severely affecting the labourers, vendors and MSMEs. Right before we were struck by this health emergency, the Government and RBI had intervened to bring in some relief through various measures in the form of monetary policy, fiscal stimulus, reforms and easing of lockdown.

INDUSTRY TRENDS AND OUTLOOK

The world landscape of the Chemical Industry is rapidly changing. 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, favourable 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.

Industrial Chemical Industry Quick Facts

INTERNAL CONTROLS

The company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. The IT system and infrastructure are continuously examined and improved with appropriate and timely upgradation.

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

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\$ 304 billion by 2025.

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.

EASE OF DOING BUSINESS

India moved up from 77th position in 2018 to 63rd position in 2019 on the World Bank's ease of doing business index, riding the back of various favourable reforms and friendly policies. This is expected to attract more overseas end-user industries to set up a manufacturing base in the country. Yash Chemex Limited is bound to take benefit from such shift of preference.

POLICY CHANGES IN CHINA

As a step towards reducing the emissions and managing waste properly, the Chinese Government laid down various stringent measures. This has led to an increase in the compliance cost. The Chinese Government also declared some areas of Yangtze river as a protected zone, mandating no factories to be built within 1 Kilometre of the river. These measures are expected to eliminate smaller companies from China. And the decreasing chemical production from Chinese Companies is anticipated to shift the demand to other countries. These developments augur well for the Indian quality products, high volumes and strategic locations, compared to its peers, are some of the factors that places the Company in a better position to face this Competition.

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.

COMPETITIVENESS: -

Our Government has allowed 100% FDI in Chemical Sector. This has resulted in domestic players facing stiff competition from Foreign multinationals, capable of exerting strong price pressure on local markets. Yash Chemex Limited views this as a health indicator of further thriving and leveraging on its attributes. Better pricing, quality products, high volumes and strategic locations, compared to its peers are some of the factors that places the Company in a better position to face this competition.

HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS:

The employee strength of the Company as on 31st March, 2020 was 9. 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, 2020 are in compliance with the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Companies Act, 2013.

FINANCIAL PERFORMANCE (CONSOLIDATED)(Rs. In Lacs):

	2019-20	2018-19	Reason for decline
Revenue from Operations	7941.56	9937.01	-Lower demand
EBITDA	402.04	369.09	-Increase in Financial Cost and Depreciation
Profit after Tax	295.26	260.04	-Fluctuations in Prices of Chemicals
Earnings Per Share (EPS in Rs.)	2.33	2.24	

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.

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 accompanying standalone financial statements of **Yash Chemex Limited** (the 'Company') which comprise the Balance Sheet as at March 31, 2020, and 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Profit, total comprehensive income, the changes in equity and its cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) 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 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 45 of the standalone financial statements, which describes that the potential impact of COVID-19 pandemic on the operations and financial statements of the company is dependent on future developments, which are uncertain.

Our opinion is not modified in respect of the above matter.

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 standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Auditor's Response
<p><u>Physical Verification of Inventories</u> [Refer to Note 8 to the standalone financial statements] The company's inventories include Stock in Trade. Company has its inventories located at its Godown.</p> <p>The company has adequate inventory records and internal control systems over inventory movements. The company has established procedures to carry out physical inventory during the year and at the year-end.</p> <p>However, due to various restrictions imposed under COVID 19 outbreak, physical verification could not be carried out at the year-end, but the same was carried out subsequent to the year-end. We therefore performed alternate procedures to test existence of inventory as at year-end, in accordance with the requirements of the auditing standards; and hence identified as a key audit matter.</p>	<p><u>Principal Audit Procedures</u> We have carried out alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories which include the followings:</p> <ul style="list-style-type: none"> ➤ Evaluated the design and implementation of the controls over physical verification of inventory and tested the operating effectiveness of these controls during the interim periods ➤ Obtained sufficient and appropriate audit evidences of existence and condition of physical inventories as carried out by the management during the year and subsequent to the year-end. Additionally on a sample basis, we inspected documentation supporting the purchases made prior to the year end and sale made after the year end. ➤ Rollback procedures were applied to the inventories verified by the company at subsequent of the year-end to arrive inventories at the year-end. On a sample basis, we independently performed quantity reconciliation from April 1, 2019 to March 31, 2020 for key items of raw material and finished goods.
<p><u>Non Current Investments</u> [Refer to Note 6 to the standalone financial statements] The company carries its investments in its listed company at fair value. As at March 31, 2020, total investments amounted to Rs. 1051.59 Lakhs and represent 26.76% of total assets.</p> <p>The fair value exercise involves the verification</p>	<p>Our audit procedures included updating our understanding of the processes employed by the company for accounting for and valuing their investment portfolio.</p> <p>We reviewed the valuation methods used and discussed with the management regarding the reasonableness of the basis and assumptions used in respect of valuation of unquoted investments. We cross-checked valuation of quoted investments with market rates at the year end.</p>

<p>market prices which were readily available for fair valuation and fair value through Other Comprehensive Income (FVOCI) in respect of quoted Equity Shares,</p>	
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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 and Management Discussion and Analysis (but does not include the standalone financial statements, consolidated 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.

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 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment 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 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 standalone financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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

- I. 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 .
- II. 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 and the Cash Flow Statement, Statement of changes in Equity 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 Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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**".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the 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 of the Act.
 - (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 Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on the financial position of its financial statements – Refer Note 35 to the 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 amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, H S K & Co.
Chartered Accountants
ICAI Firm Registration Number :117014W

Place : Ahmedabad,
Date : 03/06/2020

Sudhir Shah
Partner
Membership No. 115947
UDIN:- 20115947AAAABP4476

Yash Chemex Limited

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph I 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, 2020:

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. According to information and explanation given to us, no material discrepancies were noticed on such verification.
(c) The title deeds of immovable properties are held in the name of the company.
2. According to information and explanation given to us, Full verification could not be conducted due to COVID-19 Outbreak. However alternate audit procedure were applied for verifying physical presence of the balance inventory, In our opinion the frequency of verification is reasonable. No material discrepancies were noticed on physical verification during the year that would have an impact over the Financial Statements.
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) to (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 complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of making investments. The company has not granted loan or given guarantee or provided security as provided in 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, 2015 with regard to the deposits accepted from the public are not applicable.
6. The 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,
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, GST, Duty of Customs, 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 were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

b) According to the information and explanations given to us, there are no material dues of income tax, GST and duty of customs which have not been deposited with the appropriate authorities on account of any dispute except the following dues have not been deposited by the company on account of disputes according to information and explanation given to us:

Name of statute	Nature of Dues	Amount (in Lakhs)	Period to which amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	138.26	AY 2011-12	CIT- Appeal Ahmedabad
The Income Tax Act, 1961	Income Tax	102.49	AY 2012-13	CIT- Appeal Ahmedabad
The Income Tax Act, 1961	Income Tax	5.10	AY 2013-14	CIT- Appeal Ahmedabad

8. The company has not defaulted in repayment of dues to Financial Institutions or banks or 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 and the term loans were applied for the purpose for which they are raised.
10. According to the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given by the management, the managerial remuneration has been paid or provided in due compliance 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 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, H S K & Co.
Chartered Accountants
ICAI Firm Registration Number :117014W

Place : Ahmedabad,
Date : 03/06/2020

Sudhir Shah
Partner
Membership No. 115947
UDIN:- 20115947AAAABP4476

Annexure 'B'

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

We have audited the internal financial controls over financial reporting of **Yash Chemex Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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 Act, 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, 2020, 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, H S K & Co.
Chartered Accountants
ICAI Firm Registration Number :117014W

Place : Ahmedabad,
Date : 03/06/2020

Sudhir Shah
Partner
Membership No. 115947
UDIN:- 20115947AAAABP4476

YASH CHEMEX LIMITED

Balance Sheet as at March 31, 2020			
(Rs. in lakhs)			
Particulars	Note No.	As at	As at
		March 31, 2020 Rs.	March 31, 2019 Rs.
A			
1 ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	28.17	30.10
(b) Financial assets			
(i) Investments	6	1,051.59	821.81
(ii) Loans	7	1.80	1.80
Total non - current assets		1,081.56	853.71
2 Current assets			
(a) Inventories	8	295.23	605.66
(b) Financial assets			
(i) Trade receivables	9	2,106.03	2,507.30
(ii) Cash and cash equivalents	10	7.80	13.65
(iii) Bank balances other than cash and cash equivalents	11	0.10	0.25
(iv) Loans	12	-	0.46
(c) Other current assets	13	439.58	184.12
Total current assets		2,848.73	3,311.44
Total assets (1+2)		3,930.30	4,165.15
B			
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital	14	1,024.34	1,024.34
(b) Other equity	15	932.09	638.15
Total equity		1,956.43	1,662.49
LIABILITIES			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	71.74	-
(b) Provisions	17	15.17	6.66
(c) Deferred tax liabilities (Net)	18	55.37	19.05
Total non - current liabilities		142.28	25.71
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	-	128.03
(ii) Trade payables	20		
- Total Outstanding dues to Micro, Small & Medium Enterprise		513.47	371.21
- Total Outstanding dues to other than Micro, Small & Medium Enterprise		1,174.62	1,765.01
(iii) Other financial liabilities	21	100.04	-
(b) Other current liabilities	22	13.32	190.18
(c) Provisions	23	12.19	7.32
(d) Current tax liabilities (Net)	24	17.95	15.20
Total current liabilities		1,831.59	2,476.95
Total equity and liabilities (1+2+3)		3,930.30	4,165.15
<p>Significant Accounting Policies The accompanying notes are an integral part of financial statements</p>			
1 to 48			
As per our Report of even date attached			
<p>For, H S K & Co Chartered Accountants FRN: 117014W</p>		<p>For, Yash Chemex Limited</p>	
		<p>Pritesh Y. Shah Managing Director (DIN: 00239665)</p>	<p>Yashwantlal C. Shah Whole Time (DIN: 001002342)</p>
<p>CA Sudhir S. Shah Partner M. No. 115947 UDIN: 20115947AAAABP4476</p>		<p>Kiritbhai H. Shah Chief Financial Officer</p>	<p>Charmi Shah Company Secretary</p>
<p>Place : Ahmedabad Date : 03/06/2020</p>		<p>Place : Ahmedabad Date : 03/06/2020</p>	

YASH CHEMEX LIMITED

Statement of Profit and Loss for the year ended March 31, 2020			
(Rs. in lakhs)			
Particulars	Note No.	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
I Revenue from operations	25	6,652.25	9,224.76
II Other income	26	73.24	18.61
III Total income (I + II)		6,725.49	9,243.37
IV EXPENSES			
(a) Cost of materials consumed		-	-
(b) Purchases of stock-in-trade		6,020.66	9,061.93
(c) Changes in inventories of stock-in-trade	27	310.44	291.65
(d) Employee benefit expense	28	61.68	64.49
S 1.82 (e) Finance costs	29	13.80	7.48
(f) Depreciation and amortisation expense	30	2.01	2.33
(g) Other expenses	31	73.45	123.90
V Total expenses		6,482.04	8,968.47
VI Profit from Operations Before Exceptional Items & Tax		243.45	274.90
Exceptional Item		-	-
VII Profit before tax (III- IV)		243.45	274.90
S 1.82 Tax expense	33		
(1) Current tax		50.00	80.17
(2) Deferred tax		12.48	0.35
(3) Tax In Respect of Earlier Year		2.06	-
Total tax expense		64.55	79.82
VIII Profit for the period (V-VI)		178.90	195.08
IX Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Equity instruments through other comprehensive income		145.75	165.69
Remeasurements of the defined benefit plans		6.88	-
Income tax relating to above items that will not be reclassified to profit or loss		23.84	47.18
Total other comprehensive income		115.04	118.52
X Total comprehensive income for the period (VII+VIII)		293.94	313.60
XI Basic & diluted earnings per share of face value of Rs.10 each fully paid up			
(1) Basic		1.75	1.90
(2) Diluted		1.75	1.90
Significant Accounting Policies			
The accompanying notes are an integral part of financial statements	1 to 48		
As per our Report of even date attached			
For, H S K & Co Chartered Accountants FRN: 117014W		For, Yash Chemex Limited	
		Pritesh Y. Shah Managing Director (DIN: 00239665)	Yashwantlal C. Shah Whole Time Director (DIN: 001002342)
CA Partner M. No.115947 UDIN: 20115947AAAABP4476	Kiritbhai H. Shah Chief Financial Officer		
	Charmi Shah Company Secretary		
Place : Ahmedabad Date : 03/06/2020	Place : Ahmedabad Date : :03/06/2020		

YASH CHEMEX LIMITED

Cash Flow Statement for the year ended March 31, 2020		
Particulars	(Rs. in lakhs)	
	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
Cash flow from operating activities		
Profit Before Tax	243.45	274.90
Adjustments for :		
Depreciation and amortisation expense	2.01	2.33
Provision for expected credit loss	- 53.39	- 1.60
Finance costs	13.80	7.48
Discount Income	-	2.34
Dividend Income	- 1.53	-
Interest income	- 0.04	- 0.50
Operating profit before working capital	204.30	280.27
Changes in operating assets and		
(Increase)/Decrease in inventories	310.44	- 291.65
(Increase)/Decrease in trade receivables	468.17	325.40
(Increase)/Decrease in Other current financial assets , other current assets , Loans (Current + Non Current)	- 370.43	- 156.76
Increase/(Decrease) in trade payable	- 448.14	187.36
Increase/(Decrease) in other current financial liabilities, other current liabilities , Provisions (Current + Non Current)	- 60.68	199.36
Cash flow generated from operations	103.65	543.98
Direct taxes paid (net)	- 32.05	- 82.53
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A)	71.60	461.45
Cash flows from investing activities		
Purchase of property, plant and equipments (Including CWIP)	0.07	- 0.20
Interest received	0.04	0.50
Dividend Income	1.53	-
Purchase of Non Current Investments made during the year	- 9.00	- 367.52
NET CASH FLOW FROM / (USED IN) IN INVESTING ACTIVITIES (B)	7.36	367.22
Cash flows from financing activities		
Finance costs paid	- 13.80	- 7.48
Dividend Paid (including Dividend Distribution Tax)	-	18.36
Availment \ (Repayment) of Current & Non Current Borrowings	- 56.29	- 65.97
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	70.09	91.81
NET INCREASED / (DECREASED) IN CASH AND CASH EQUIVALENTS (A + B + C)	5.85	2.42
Cash and cash equivalents at the	13.65	11.23
Cash and cash equivalents at the end of the year	7.80	13.65

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.

As per our Report of even date attached

For, H S K & Co

Chartered Accountants
FRN: 117014W

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantlal C. Shah
Whole Time Director
(DIN: 001002342)

CA Sudhir S. Shah

Partner
M. No.115947
UDIN: 20115947AAAABP4476

Kiritbhai H. Shah
Chief Financial Officer

Charmi Shah
Company Secretary

Place : Ahmedabad
Date : 03/06/2020

Place : Ahmedabad
Date : 03/06/2020

YASH CHEMEX LIMITED

Statement of Changes in Equity for the year ended on March 31, 2020

Equity Share Capital

Particulars	Note No.	Amount Rs.
Balance as on 1st April, 2018	14	1,024.34
Changes during the year		-
Balance as on 31st March, 2019	14	1,024.34
Changes during the year		-
Balance as on 31st March, 2020	14	1,024.34

Other Equity

(Rs. in lakhs)

Particulars	Note No.	Reserves and Surplus		Other Components of Equity	Total
		Retained Earnings	Security Premium	Equity Instruments through Other Comprehensive Income	
Balance as at 1st April, 2018	15	196.15	163.22	- 16.46	342.91
Profit for the year		195.08	-	-	195.08
Other comprehensive income for the year		-	-	118.52	118.52
Payment of Interim Dividends		- 15.18	-	-	15.18
Tax on Dividends		- 3.18	-	-	3.18
Balance as at 31st March, 2019	15	372.87	163.22	102.05	638.15
Profit for the year		178.90	-	-	178.90
Other comprehensive income for the year		-	-	115.04	115.04
Payment of Interim Dividends		-	-	-	-
Tax on Dividends		-	-	-	-
Balance as at 31st March, 2020	15	551.78	163.22	217.09	932.09

As per our Report of even date attached

For, H S K & Co

Chartered Accountants

FRN: 117014W

For, Yash Chemex Limited

Pritesh Y. Shah

Managing Director

(DIN: 00239665)

Yashwantlal C. Shah

Whole Time Director

(DIN: 001002342)

CA Sudhir S. Shah

Partner

M. No.115947

UDIN: 20115947AAAABP4476

Kiritbhai H. Shah

Chief Financial Officer

Charmi Shah

Company Secretary

Place : Ahmedabad

Date : 03/06/2020

Place : Ahmedabad

Date : 03/06/2020

Notes to financial statement for the year ended March 31, 2020

A. Significant Accounting Policies :-**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 June 3, 2020.

2 Basis of Preparation of Financial Statements

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

(i) Compliance with Ind-AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

(ii) Basis of Preparation and presentation

The financial statements have been prepared and presented on the going concern basis and at historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by relevant IND AS.

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.

(a) Certain financial assets/liabilities measured at fair value (refer accounting policy regarding financial instruments) and

(b) Any other item as specifically stated in the accounting policy.

(iii) Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(iv) Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle.

(v) Rounding of amounts

The financial statements are presented in INR and all values are rounded to the nearest Lakh (INR 1,00,000) as per the requirement of Schedule III, unless otherwise stated.

Notes to financial statement for the year ended March 31, 2020

3 Use of Estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

a) Critical accounting estimates

Useful lives and residual values of Property, plant and equipment represent a material portion of the Company's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology

b) Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

c) Defined benefit obligations

Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgement is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.

d) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

4 Summary of Accounting Policies**4.1 Property, Plant and Equipment (PPE)**

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount/rebate, import duties, non-refundable taxes, Net of Cenvat and GST input credit wherever applicable, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Notes to financial statement for the year ended March 31, 2020

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Items such as spare parts, standby equipment and servicing equipment are recognised as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

The Company adjusts exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset. The depreciation on such foreign exchange difference is recognised from first day of its financial year.

De-recognised upon disposal

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when asset is derecognised.

Treatment of Expenditure during Construction Period

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

Depreciation

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognized till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

The Company depreciates its property, plant and equipment (PPE) over the useful life in the manner prescribed in Schedule II to the Act. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for plant and equipment wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act. Useful life considered for calculation of depreciation for various assets class are as follows:-

Notes to financial statement for the year ended March 31, 2020

Asset Class	Useful Life
Non-Factory Building	60 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Vehicles	8 & 10 years
Computers	3 years

Depreciation on fixed assets added/disposed off during the period is provided on pro-rata basis with reference to the date of addition/disposal.

The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets

4.2 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

4.3 Leases

At the inception of a lease, the lease arrangements is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

As a Lessee:

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowing or other financial liabilities as appropriate.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from lessor) are charged to profit or loss on straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a Lessor:

Lease income from operating leases where the Company is a lessor is recognised in other income on straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Notes to financial statement for the year ended March 31, 2020

Deposits provided to Lessor:

The Company is generally required to pay refundable security deposits in order to obtain property leases from various lessors.

Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of deposit is recognised as lease prepayments. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments

Subsequent to initial recognition, the security deposit is measured at amortised cost using the effective interest method with carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognised as interest income. The lease repayment is amortised on straight-line basis over the lease term as lease rentals expense.

4.4 Inventories

Inventories consisting of stores and spares, raw materials, work in progress, stock in trade, goods in transit and finished goods are valued at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis and is net of credits under GST.

Traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Goods and materials in transit include materials, duties and taxes (other than those subsequently recoverable from tax authorities) labour cost and other related overheads incurred in bringing the inventories to their present location and condition.

4.5 Borrowing Cost

Borrowing cost includes interest expense, amortisation of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to the acquisition or construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment 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 cost are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Notes to financial statement for the year ended March 31, 2020

4.6 Impairment of Assets

At the end of each reporting period, the Company reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these 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. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss. Recoverable amount is the higher of fair value less costs to sell 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.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

4.6 Government Grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on a systematic basis over the expected useful life of the related asset.

4.7 Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals

b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet 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, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date 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 assets and liabilities 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 balance sheet date. 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 reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

c) Minimum Alternate Tax (MAT)

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

4.8 Employee Benefits**a) Employee Benefits**

Notes to financial statement for the year ended March 31, 2020

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled

Notes to financial statement for the year ended March 31, 2020

b) Post-employment obligations**i) Defined benefit plans-Gratuity obligations**

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows 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 benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and 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 expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change 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 the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or

ii) Defined contribution plans

The Company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

4.8 Provisions, Contingent Liability and Contingent Assets

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise, GST etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts. However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability. No contingent asset is recognized but disclosed by way of notes to accounts.

4.9 Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method

4.10 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government such as Goods and Services Tax, etc.

Sale of Goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue from sales excludes GST. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from rendering of services is recognized as per the terms of the contract with customers when related services are performed and when the outcome of the transactions involving rendering of services can be estimated reliably.

Dividend Income

Dividend Income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Notes to financial statement for the year ended March 31, 2020**4.11 Cash Flows and Cash and Cash Equivalents**

Statement of cash flows is prepared in accordance with the indirect method prescribed in the IND AS 7. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, 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 book overdrafts. However, Book overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

4.12 Earnings per share**i) Basic earnings per share**

a) The profit attributable to owners of the Company

b) By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

ii) Diluted earnings per share

a) The after 'income-tax' effect of interest and other financing costs associated with dilutive potential equity shares, and

b) The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

4.13 Segment Reporting

Based on "Management Approach" as defined in IND AS 108 – Operating Segments, the Management evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

4.14 Foreign Currency Transactions

In preparing the financial statements of the Company, transactions in foreign currencies, other than the Company's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency, are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise except for:

a) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and b) exchange differences on transactions entered into in order to hedge certain foreign currency risks.

4.15 Fair Value Measurement

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

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

In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Notes to financial statement for the year ended March 31, 2020

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

4.16 Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

4.17 Financial Instruments**a) Recognition and initial measurement**

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue

b) Classification and subsequent measurement**Financial assets**

On initial recognition, a financial asset is classified as measured at

- i) amortized cost;
- ii) Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- iii) Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss

c) De-recognition**Financial assets**

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Notes to financial statement for the year ended March 31, 2020

Financial liabilities

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

d) De-recognition

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

YASH CHEMEX LIMITED

Notes to financial statement for the year ended March 31, 2020

Note 5: Property, Plant and Equipment

(Rs. in lakhs)

Particulars	Vehicles	Buildings	Office Equipments	Computers	Furniture & Fixtures	Total
Gross Carrying Value as on March 31, 2018	2.94	30.37	0.60	0.33	1.03	35.27
Addition during the year	-	-	-	0.20	-	0.20
Deduction during the year	-	-	-	-	-	-
Gross Carrying Value as on March 31, 2019	2.94	30.37	0.60	0.53	1.03	35.47
Addition during the year	-	-	0.08	-	-	0.08
Deduction during the year	-	-	-	-	-	-
Gross Carrying Value as on March 31, 2020	2.94	30.37	0.68	0.53	1.03	35.54
Accumulated depreciation as on March 31, 2018	0.88	1.42	0.30	0.14	0.28	3.03
Addition during the year	0.61	1.36	0.11	0.04	0.20	2.33
Deduction during the year	-	-	-	-	-	-
Accumulated depreciation as on March 31, 2019	1.50	2.78	0.41	0.18	0.49	5.36
Addition during the year	0.42	1.30	0.04	0.11	0.15	2.01
Deduction during the year	-	-	-	-	-	-
Accumulated depreciation as on March 31, 2020	1.91	4.08	0.45	0.29	0.64	7.37
Net Carrying Value as on March 31, 2019	1.44	27.58	0.19	0.35	0.54	30.10
Net Carrying Value as on March 31, 2020	1.02	26.29	0.23	0.24	0.39	28.17

i. Assets Given as security:

Refer Note. 16 & 19 for disclosure of assets given as security.

ii. Capitalised borrowing cost:

Borrowing Cost Capitalised on Property, Plant and Equipment during the year ended March 31, 2020 - Rs. Nil/- (for the year ended March 31, 2019: Rs. Nil/-).

iii. Contractual obligations:

Refer Note. 34 for disclosure of Contractual Commitments for the acquisition of property, Plant & Equipment.

Notes to financial statement for the year ended March 31, 2020			
(Rs. in lakhs)			
6	Non-current Investments	As at	As at
		March 31, 2020 Rs.	March 31, 2019 Rs.
	Investment in Subsidiaries at amortised cost (Unquoted)		
	Yasons Chemex Care Limited (3027000 shares as on 31-03-2020, 3002000 shares as on 31-03-2019) of face value Rs. 10 each fully paid up.	492.65	483.65
	Investments in Equity Instruments at fair value through other comprehensive income (Quoted)		
	Mahickra Chemical Ltd. (605000 shares as on 31-03-2020,500000 shares as on 31-03-2019) of face value Rs. 10 each fully paid up.	496.10	240.50
	Hindprakash Industries Ltd (42000 shares as on 31-03-2020, Nil shares as on 31-03-2019) of face value Rs. 10 each fully paid up.	17.18	-
	Ushanti Colour Chem Ltd (158000 shares as on 31-03-2020,156000 shares as on 31-03-2019) of face value Rs. 10 each fully paid up.	45.66	97.66
	Total	1,051.59	821.81
	Aggregate amount of quoted investment - At cost	271.80	196.77
	Aggregate amount of unquoted investment - At cost	492.65	483.65
7	Non-current loans	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Unsecured and considered good		
	Security Deposits	1.80	1.80
	Total	1.80	1.80
8	Inventories	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Stock in Trade	295.23	605.66
	Total	295.23	605.66
9	Trade receivables	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Unsecured,		
	Considered good	2,106.03	2,507.30
	Credit impaired	7.44	60.83
		2,113.47	2,568.13
	Less: Allowance for Expected Credit Loss	7.44	60.83
	Total	2,106.03	2,507.30
	Notes:		
	i. For Dues from Related Parties , refer note -44		
	ii. The Fair Values of Trade Receivables are not considered to be significantly different from their carrying values, given their generally short period to maturity, with impairment reviews considered on an individual basis rather than when these become overdue.		
iii. 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, 2020 Rs.	As at March 31, 2019 Rs.	
Balance at the beginning of the year	60.83	62.43	
Add : Allowance made during the year	-	25.35	
Less : Reversal of allowance made during the year	53.39	-	
Closing Balance	7.44	87.79	
10	Cash & Cash Equivalents	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Balances with Banks - In Current Account	5.66	4.87
	Cash on hand	2.14	8.78
	Total	7.80	13.65

YASH CHEMEX LIMITED

Notes to financial statement for the year ended March 31, 2020					
11	Bank balances other than cash and cash equivalents		As at	As at	
			March 31, 2020	March 31, 2019	
			Rs.	Rs.	
	Fixed deposits with banks (with original maturity more than 3 months but less than 12 months)		0.10	0.25	
	Total		0.10	0.25	
12	Loans		As at	As at	
			March 31, 2020	March 31, 2019	
			Rs.	Rs.	
	Unsecured and considered good				
	Loans to Others		-	0.46	
	Total		-	0.46	
13	Other Current Assets		As at	As at	
			March 31, 2020	March 31, 2019	
			Rs.	Rs.	
		Unsecured and considered good			
		Advances to Suppliers Other than Capital Advance		406.27	150.12
		Others			3.47
		Prepaid Expenses		0.33	2.03
	Balances with Statutory Authorities		32.98	28.50	
	Total		439.58	184.12	
14	Equity Share Capital		As at	As at	
			March 31, 2020	March 31, 2019	
			Rs.	Rs.	
		[i] Authorised Share Capital: 110,00,000 Equity shares of Rs. 10 each as at March 31, 2020 (110,00,000 Equity shares of Rs. 10 each as at March 31, 2019)		1,100.00	1,100.00
		[ii] Issued, Subscribed & Paid-up Capital : 1,02,43,425 equity shares of Rs. 10 each fully paid as at March 31, 2020 (1,02,43,425 equity shares of Rs. 10 each fully paid as at March 31, 2020)		1,024.34	1,024.34
	Total		1,024.34	1,024.34	
(a)	Reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2020 and March 31, 2019, is set out below:-				
	Particulars	As at March 31, 2020		As at March 31, 2019	
		No. of Shares	Amt (Rs.)	No. of Shares	Amt (Rs.)
	Shares at the beginning	1,02,43,425	1,024.34	1,02,43,425	1,024.34
	Addition	-	-	-	-
	Deletion	-	-	-	-
	Shares at the end	1,02,43,425	1,024.34	1,02,43,425	1,024.34

Notes to financial statement for the year ended March 31, 2020			
(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, 2020 Rs.	As at March 31, 2019 Rs.
Pritesh Y Shah	Nos. %	17,60,004.00 17.18	17,60,004.00 17.18
Pritesh Y Shah HUF	Nos. %	9,72,496.00 9.49	9,72,496.00 9.49
Yashvantbhai C Shah HUF	Nos. %	7,49,192.00 7.31	7,49,192.00 7.31
Yashvantbhai C Shah	Nos. %	6,03,850.00 5.90	6,03,850.00 5.90
Dimple P Shah	Nos. %	7,80,500.00 7.62	7,80,500.00 7.62
Lalit K Patel	Nos. %	10,53,750.00 10.29	10,53,750.00 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.			
(f) Aggregate number and class of shares bought back :- Nil			
(g) Securities which are convertible into Equity Shares :- Nil			
(h) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash :- Nil			
(i) Aggregate Value of Calls unpaid by directors and officers :- Nil			
(j) Aggregate number and class of shares allotted as fully paid by way of Bonus Shares :- Nil			
(k) 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: During the financial year 2017-18, Company has issued 61,46,055 Bonus shares to the share holders.			
15	Other Equity	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Securities Premium			
Balance as per last financial Statement		163.22	163.22
Add : Received during the year		-	-
Less: Utilised for issuance of bonus shares		-	-
Closing Balance		163.22	163.22
Surplus in Statement of Profit & Loss :			
Balance as per last financial Statement		372.87	196.15
Add : Profit for the year		178.90	195.08
Less: Interim Dividend Paid		-	15.18
Less: Tax on Final Dividend		-	3.18
Net Surplus in the statement of profit and loss		551.78	372.87
Other Comprehensive Income			
Balance as per last financial Statement		102.05	16.46
Add\Less: Other Comprehensive Income For the Year		138.87	118.52
Less : Income tax relating to above items that will not be reclassified to profit or loss		23.84	-
Net Surplus in the statement of other comprehensive income		217.09	102.05
Total		932.09	638.15
Securities 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.			
Other Comprehensive Income: This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off. It also includes re-measurement loss and gain on defined benefit plans, net of taxes that will not be reclassified to profit and loss.			

Notes to financial statement for the year ended March 31, 2020			
16	Non-Current Borrowings	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
			31.03.2004
	Unsecured Borrowing from Banks	55.67	-
	Unsecured Borrowing from Financial Institutions	16.07	-
	Total	71.74	-
Business loan is unsecured and payable as per agreed repayment schedule ranging from 12 Months to 36 Months monthly installments carry interest rate ranging from 14.50% to 16% p.a.			
17	Non-Current Provisions	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Provision for Gratuity	15.17	6.66
	Total	15.17	6.66
18	Deferred Tax Asset (Net)	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Deferred Tax Assets		
	Allowance for Expected Credit Loss on Trade Receivables	2.43	16.92
	Unpaid liability allowable on payment basis in succeeding years u/s. 43B of the Income tax Act, 1961	6.02	3.87
	Total Deferred Tax Assets	8.45	20.80
	Deferred Tax Liabilities		
	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	0.65	0.51
	Fair Valuation of investment in Equity Instruments	63.17	39.33
	Total Deferred Tax Liabilities	63.82	39.85
	Net Deferred Tax Liabilities\ (Deferred Tax Assets)	55.37	19.05

Notes to financial statement for the year ended March 31, 2020					
Note i. Movement of deferred tax liability:					
Movements in Deferred Tax Assets \ (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	
As at April 01, 2018 *	-	7.84	-	0.21	20.15
(Charged) / credited:	-	-	-	-	-
to profit or loss	3.87	-	-	0.30	3.22
to other comprehensive income	-	47.18	-	-	-
As at March 31, 2019 *	3.87	39.33	-	0.51	16.92
(Charged) / credited:	-	-	-	-	-
to profit or loss	2.15	-	-	0.14	14.49
to other comprehensive income	-	23.84	-	-	-
As at March 31, 2020 *	6.02	63.17	-	0.65	2.43
19	Current Borrowings		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.	
	Secured Borrowing				
	From Banks -Cash Credit Facility		-	109.12	
	Unsecured Deposits				
	Inter Corporate Deposits		-	18.90	
	Total		-	128.03	
	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) Unsecured Borrowing from Non-banking Financial Institutions (NBFCs) is repayable as per agreed repayment schedule within a period of 12 months. Security deposits are from third parties carrying interest rate of 12% p.a. The same are payable				

YASH CHEMEX LIMITED

Notes to financial statement for the year ended March 31, 2020			
20	<u>Trade payables</u>	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Total outstanding dues of micro enterprises and small enterprises	513.47	371.21
	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,174.62	1,765.01
	Total	1,688.09	2,136.22
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. For Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 refer note - 40			
21	<u>Other Current Financial Liabilities</u>	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Current Maturity of non-current borrowings	100.04	-
	Total	100.04	-
22	<u>Other Current Liabilities</u>	As at March 31, 2020 Rs. 31.03.2004	As at March 31, 2019 Rs. 31.03.2004
	Advances from customers	-	183.92
	Statutory dues	13.32	6.26
	Total	13.32	190.18
23	<u>Current Provisions</u>	As at 31.03.2004	As at March 31, 2019 Rs.
	Provisions for Gratuity	12.19	7.26
	Others		0.06
	Total	12.19	7.32
24	<u>Current Tax Liabilities \ (Assets) (Net)</u>	As at 31.03.2004	As at 31.03.2004
	Provision For Income tax (Net)	17.95	15.20
	Total	17.95	15.20
25	<u>Revenue from operation</u>	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Sale of Products	6,652.25	9,199.72
	Rendering of Services	-	25.05
	Total	6,652.25	9,224.76
26	<u>Other Income</u>	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Interest Income	0.04	0.50
	Foreign Exchange Gain	-	5.43
	Other Income	71.68	12.34
	Dividend Income	1.53	-
	Speculation Income	-	0.33
	Total	73.24	18.61

Notes to financial statement for the year ended March 31, 2020			
27	Change In Inventories Of Finished Goods, Work In Progress And Stock In Trade	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Inventory at the beginning of the year		
	Stock in Trade	605.66	314.01
		605.66	314.01
	Inventory at the end of the year		
Stock in Trade	295.23	605.66	
	295.23	605.66	
	Net (Increase) / decrease in Stock	310.44	- 291.65
28	Employee Benefit Expense	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Salary, Wages & Bonus Expenses	17.13	18.00
	Directors Remuneration	38.00	32.57
	Gratuity Expenses	6.56	13.92
	Total	61.68	64.49
29	Finance Costs	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Interest Paid to Banks & Financial Institutions	7.70	2.76
	Interest Paid to Others	3.18	3.83
	Other borrowing cost	2.92	0.89
	Total	13.80	7.48
30	Depreciation And Amortisation Expense	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Depreciation on Property, Plant & Equipment	2.01	2.33
	Total	2.01	2.33
31	Other Expenses	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Import related Charges and Expenses	21.13	21.84
	Transportation Expenses	12.11	18.76
	Advertisement Expenses	0.31	0.28
	Auditor's Remuneration	4.00	0.90
	Director Sitting Fees	1.18	0.58
	Electricity Charges	0.84	1.06
	Insurance Charges	4.92	0.82
	Other Expenses	1.45	24.32
	Legal & Professional Fees	9.71	16.67
	Telephone Expenses	0.58	0.87
	Travelling & Conveyance Expenses	0.33	0.69
	Foreign Exchange Loss	9.71	-
	Rent Rates & Taxes (excluding taxes on income)	59.99	36.90
	Reversal of expected credit losse allowance	- 53.39	1.60
	Donation	-	1.11
	Printing & Stationery & Postage Expenses	0.58	0.70
Total	73.45	123.90	

Notes to financial statement for the year ended March 31, 2020			
33.1	Income tax recognised in profit or loss	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Current tax:		
	In respect of the current year	50.00	80.00
	In respect of the prior year	2.06	0.17
	Sub-Total (i)	52.06	80.17
	Deferred tax:		
	In respect of the current year	12.48 -	0.35
	Sub-Total (ii)	12.48 -	0.35
	Total (i + ii)	64.55	79.82
33.2	Income tax reconciliation		
	Particulars	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Profit before tax	243.45	274.90
	Tax expenses reported during the year	64.55	79.82
	Income tax expenses calculated at effective tax rate (25.168% current year and 27.82% previous year)	61.27	76.48
	Tax Effect of		
	Expenses not allowed for tax purpose	9.00 -	0.70
	Income not considered for tax purpose & Other deductible expenses	- 58.00 -	47.20
	Related to Deferred Tax Balances	12.83 -	0.35
	Other Items	100.72	128.07
	Total	64.55	79.82

Notes to financial statement for the year ended March 31, 2020		
(Rs. in lakhs)		
34 Capital Commitment		
Details of outstanding capital commitments are as under:		
Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Estimated amount of contracts remaining to be executed on capital account and not provided for Capital goods / Capital work in progress	10.52	10.52
Advance paid against such contracts	-	-
Remaining outstanding commitment	10.52	10.52
35 Contingent Liabilities	(Rs. in lakhs)	
Details of contingent liabilities are as under:		
Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Outstanding Tax Matters:		
(i) Demand U/s 143(3) r.w.e. 147 of the Income Tax Act for A.Y.2011-12 against which Appeal filled by company and matter is pending before CIT (Appeals).	138.26	138.26
(ii) Demand U/s 143(3) r.w.e. 147 of the Income Tax Act for A.Y.2012-13 against which Appeal filled by company and matter is pending before CIT (Appeals).	102.49	-
36 Details of Employee 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 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.		
For the year ended March 31, 2020; the company provides for the Liability for Gratuity to employees determined on the basis of actuarial Valuation based on Projected Unit Credit method.		
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:		
(Rs. in lakhs)		
A. Expenses Recognized during the period		
Particulars	As at March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
In Income Statement	6.56	13.92
In Other Comprehensive Income	6.88	-
Total Expenses Recognized	13.44	13.92
A1. Expenses Recognized in the Income Statement		
Particulars	As at March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
Current Service Cost	6.56	13.92
Expenses Recognized in the Statement of Profit and Loss	6.56	13.92

Notes to financial statement for the year ended March 31, 2020			
B. Net Liability recognized in the balance sheet			
Particulars	As at		As at
	March 31, 2020	March 31, 2019	March 31, 2019
	Rs.	Rs.	Rs.
Present Value of Obligation	27.36		13.92
Fair value of plan assets	-		-
Surplus / (Deficit)	27.36		13.92
Net (Liability) recognized in the Balance sheet	- 27.36	-	13.92
Current Liability	12.19		7.26
Non-current Liability	15.17		21.18
B1. Changes in the Present value of Obligation			
Particulars	As at		As at
	March 31, 2020	March 31, 2019	March 31, 2019
	Rs.	Rs.	Rs.
Present Value of Obligation as at the beginning	-		-
Current Service Cost	5.79		13.92
Interest Expense or Cost	0.77		-
Re-measurement (or Actuarial) (gain) / loss :	-		-
Past Service Cost	-		-
Benefits Paid	-		-
Present Value of Obligation as at the end of the year	6.56	-	13.92
C. Actuarial Assumptions			
Particulars	As at		As at
	March 31, 2020	March 31, 2019	March 31, 2019
	Rs.	Rs.	Rs.
Discount Rate	6.60% p.a.		7.50% p.a.
Expected rate of salary increase	7.00% p.a.		7.00% p.a.
Expected Return on Plan Assets	Not Applicable		Not Applicable
Mortality	Indian Assured Lives Mortality (2012-14) Table		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		10.00% p.a at younger ages reducing to 2.00% p.a% at older ages
Retirement Age	60 Years		60 Years
D. Sensitivity Analysis			
Particulars	As at		Year Ended
	March 31, 2020	March 31, 2019	March 31, 2019
	Rs.	Rs.	Rs.
Defined Benefit Obligation (Base)	6.88	-	13.92
Particulars	Year Ended March 31, 2019		
	Decrease	Increase	Rs.
Discount Rate (- / + 0.5%) (% change compared to base due to sensitivity)	0.40	-	0.37
Salary Growth Rate (- / + 0.5%) (% change compared to base due to sensitivity)	-	0.15	0.27
Attrition Rate (W.R. x 90% / W.R. x 110%) (% change compared to base due to sensitivity)	-	0.13	0.12
Particulars	Year Ended March 31, 2020		
	Decrease	Increase	Rs.
Discount Rate (- / + 0.5%) (% change compared to base due to sensitivity)	26.13	-	27.76
Salary Growth Rate (- / + 0.5%) (% change compared to base due to sensitivity)	27.33	-	26.51
Attrition Rate (W.R. x 90% / W.R. x 110%) (% change compared to base due to sensitivity)	27.12	-	26.69

Notes to financial statement for the year ended March 31, 2020

E. Maturity Profile of Project Benefit Obligation

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Weighted average duration (based on discounted cash flows)	7.04	10.00
Expected cashout flows over the next (valued on undiscounted basis):	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
1 year	11.75	7.26
2 to 5 years	4.54	2.37
6 to 10 years	5.17	2.91

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 Company 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

(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) Liquidity 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

(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

(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.

37 Segment Reporting

The Company operates in a single segment and in line with Ind AS - 108 - "Operating Segments", the operation of the Company fall under Chemical Business which is considered to be the only reportable business segment, 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, 2020

38 Fair Value Measurements

Financial instrument by category and their fair value

(Rs. in lakhs)

As at 31st March, 2020	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments - Non Current	-	558.94	492.65	1,051.59	558.94	-	-	558.94
Loans - Non Current	-	-	1.80	1.80	-	-	-	-
Trade Receivables	-	-	2,106.03	2,106.03	-	-	-	-
Cash and Cash Equivalents	-	-	7.80	7.80	-	-	-	-
Other Bank Balances	-	-	0.10	0.10	-	-	-	-
Total Financial Assets	-	558.94	2,608.38	3,167.32	558.94	-	-	558.94
Financial Liabilities								
Non - Current Borrowings	-	-	71.74	71.74	-	-	-	-
Current Borrowings	-	-	-	-	-	-	-	-
Trade Payables	-	-	1,688.09	1,688.09	-	-	-	-
Other Current Financial	-	-	100.04	100.04	-	-	-	-
Total Financial Liabilities	-	-	1,859.87	1,859.87	-	-	-	-

(Rs. in lakhs)

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	-	338.16	483.65	821.81	338.16	-	-	338.16
Loans - Non Current	-	-	1.80	1.80	-	-	-	-
Trade Receivables	-	-	2,507.30	2,507.30	-	-	-	-
Cash and Cash Equivalents	-	-	13.65	13.65	-	-	-	-
Other Bank Balances	-	-	0.25	0.25	-	-	-	-
Loans - Current	-	-	0.46	0.46	-	-	-	-
Total Financial Assets	-	338.16	3,007.10	3,345.25	338.16	-	-	338.16
Financial Liabilities								
Current Borrowings	-	-	128.03	128.03	-	-	-	-
Trade Payables	-	-	2,136.22	2,136.22	-	-	-	-
Other Current Financial	-	-	-	-	-	-	-	-
Total Financial Liabilities	-	-	2,264.25	2,264.25	-	-	-	-

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:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

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)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Notes to financial statement for the year ended March 31, 2020

39 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 ECL 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.

(Rs. in lakhs)

Contractual maturities of financial liabilities as at March 31, 2020	Carrying Amount	Contractual Cash Flows			
		On demand or within 1 year	Over 1 year within 2 years	After 3 years	Total
Non - Current Borrowings	71.74	-	71.74	-	71.74
Current Borrowings	-	-	-	-	-
Trade Payables	1,688.09	1,688.09	-	-	1,688.09
Other Current Financial Liability	100.04	100.04	-	-	100.04
Total	1,859.87	1,788.13	-	-	1,859.87

(Rs. in lakhs)

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	After 3 years	Total
Non - Current Borrowings	-	-	-	-	-
Current Borrowings	128.03	128.03	-	-	128.03
Trade Payables	2,136.22	2,136.22	-	-	2,136.22
Other Current Financial Liability	-	-	-	-	-
Total	2,264.25	2,264.25	-	-	2,264.25

Notes to financial statement for the year ended March 31, 2020					
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				
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, 2020, 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, 2020 Rs.	As at March 31, 2019 Rs.	
	Trade Payables	USD	0.81	1.66	
		INR	60.82	114.73	
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:				
		Impact on Profit before tax			
	Particulars	Year Ended March 31, 2020 Rs.		Year Ended March 31, 2019 Rs.	
		5% Increase	5% Decrease	5% Increase	5% Decrease
		-	3.04	-	5.74
	USD	-	3.04	-	5.74
b)	Interest Risk				
	Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio. With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken. 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				
	Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.		
	Non Current Borrowings	71.74	-		
	Current Borrowings	-	128.03		
	Total	71.74	128.03		
	For details of the Company's Non Current and Current borrowings, including interest rate profiles, refer to Note 17 and 20 of these financial statement.				

Notes to financial statement for the year ended March 31, 2020			
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.			
Particulars		As at March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
50bp increase would decrease the profit before tax by	-	0.86	- 1.37
50bp decrease would increase the profit before tax by		0.86	1.37
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, 2020, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.			
i) Exposure			
The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.			
ii) Sensitivity			
The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.			
Impact on Other Comprehensive Income - OCI			
	Movement in Rate %	As at March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
Equity Shares (Quoted)	5%	27.95	16.91
Equity Shares (Quoted)	-5%	27.95	16.91
Above referred sensitivity pertains to quoted equity investment. Profit for the year would increase/ (decrease) as a result of gains/ losses on equity securities as at fair value through other comprehensive income before net of tax.			
40 Due to Micro, Small and Medium Enterprise			
Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED), certain disclosers are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below:			
Particulars		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Principal amount remaining unpaid to any supplier as at the end of accounting year		513.47	371.21
Interest due and remaining unpaid to any supplier as at the end of accounting year		-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year		-	-
Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act, 2006		-	-
Amount of interest accrued and remaining unpaid at the end of accounting year		-	-
Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006		-	-
Total		513.47	371.21

Notes to financial statement for the year ended March 31, 2020		
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, 2020 Rs.	As at March 31, 2019 Rs.
Debt	71.74	128.03
Cash and bank balances	7.80	13.65
Net debt	63.94	114.38
Equity	1,956.43	1,662.49
Net debt to equity ratio	3.27%	6.88%
42	Details of Payment to Auditors	
Particulars	As at March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
Payment to auditors:		
Statutory Audit Fees	4.00	0.75
Tax Audit Fees	0.50	0.15
Others (Fees for Other Audit Related Services)	0.50	-
Total	5.00	0.90

Notes to financial statement for the year ended March 31, 2020

43 Earnings Per Share (EPS)

Particulars	As at March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
Net Profit / (Loss) for calculation of basic / diluted EPS	178.90	195.08
Weighted Average Number of Equity Shares in calculating Basic and Basic and Diluted Earnings/(Loss) Per Share	1,02,43,425	1,02,43,425.00
Nominal Value of Equity Shares	1.75	1.90
	10.00	10.00

44 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)
Aesha Shah	Key Managerial Person (Company Secretary) - Up to 01/09/2019
Charmi Shah	Key Managerial Person (Company Secretary)
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	As at March 31, 2020 Rs.	Year ended March 31, 2019 Rs.
Yasons Chemex Care Limited	Sale of products	745.49	1,185.70
	Investment in equity shares	9.00	270.75
Yash Chem	Purchase of goods	341.32	1,200.72
Pritesh Yashwantbhai Shah	Director remuneration	18.00	18.95
Yashwant C. Shah	Director remuneration	16.28	13.00
Dimple Pritesh Shah	Director remuneration	7.00	-
Raj Shah	Director remuneration	-	0.63
Kiritkumar Shah	Key Managerial Person (Chief Financial Officer)	1.73	-
Aesha Shah	Key Managerial Person (Company Secretary)	0.91	-
Charmi Shah	Key Managerial Person (Company Secretary)	1.23	-
Jinal Dineshbhai Shah	Director's Sitting Fees	0.45	-
Angee Shah	Director's Sitting Fees	0.13	0.38
Vrusha Patel	Director's Sitting Fees	0.60	0.20
Pritesh Shah HUF	Loan given	-	28.00
	Loan repaid by the party	-	28.00

Notes to financial statement for the year ended March 31, 2020

Balances outstanding at each reporting date:

Name of party	Nature of Amount	As at March 31, 2020 Rs.	Year ended March 31, 2019 Rs.
Yasons Chemex Care Limited	(Advance from Customers) / Receivables	(6.30) -	183.93
	Investment	492.65	483.65
Raj Shah	Employees	-	1.15
Y. C. Shah	Advance to Employees / (Employees Payables)	-	1.62
Pritesh Yashwantbhai Shah	Employees Payables	(12.40)	-
Jinal Dineshbhai Shah	Director's Sitting Fees	(0.15)	-
Angee Shah	Director's Sitting Fees	-	-
Vrusha Patel	Director's Sitting Fees	(0.30)	-
Kiritkumar Shah	Employees Payables	(0.17)	-
Charmi Shah	Employees Payables	(0.26)	-
Yash Chem	Advance to Suppliers / (Trade Payable)	368.34	99.19

Note: Figures in bracket denotes credit balance.

45 Impact of COVID 19 Pandemic:

The Company has assessed the probable impact of covid 19 pandemic. It has considered internal and external information available up to the date of approval of these financial results and has performed analysis based on current estimates in assessing the recoverability of its assets including trade receivables, inventories, other financial and non-financial assets for possible impact on these financial results. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, etc. On the basis of its present assessment and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any material impact on these financial results. However, the assessment of Impact of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic condition.

46 Recent Indian Accounting Standards (Ind AS)

As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but which have not yet been adopted by the Company. Hence, the disclosure is not applicable.

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.

As per our Report of even date attached

For, H S K & Co

Chartered Accountants
FRN: 117014W

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantlal C. Shah
Whole Time Director
(DIN: 001002342)

CA Sudhir S. Shah

Partner
M. No. 115947
UDIN: 20115947AAAABP4476

Kiritbhai H. Shah
Chief Financial Officer

Charmi Shah
Company Secretary

Place : Ahmedabad
Date : 03/06/2020

Place : Ahmedabad
Date : 03/06/2020

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 'Company') and its subsidiary (hereinafter referred to as "The Holding and Subsidiary " and together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of changes in equity and Consolidated Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2020, and their consolidated profit, their consolidated total comprehensive income, the changes in equity and its cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) 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 Company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

Attention is drawn to Note No. 47 of accompanying consolidated financial statements, with regard to impact on operations of the company due to COVID 19 pandemic outbreak and lockdown which is dependent on future developments, which are uncertain.

Our opinion is not modified in respect of the above matters.

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.

Key Audit Matter	Auditor's Response
<p><u>Physical Verification of Inventories</u> [Refer to Note 9 to the consolidated financial statements]</p> <p>The Group's inventories include raw materials, work in progress, finished goods and stores & spares. Company has its inventories located at its manufacturing units and Godowns.</p> <p>The Group has adequate inventory records and internal control systems over inventory movements. The company has established procedures to carry out physical inventory during the year and at the year-end.</p> <p>However, due to various restrictions imposed under COVID 19 outbreak, physical verification could not be carried out at the year-end, but the same was carried out subsequent to the year-end. We therefore performed alternate procedures to test existence of inventory as at year-end, in accordance with the requirements of the auditing standards; and hence identified as a key audit matter</p>	<p><u>Principal Audit Procedures</u></p> <p>We have carried out alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories which include the followings:</p> <ul style="list-style-type: none">➤ Evaluated the design and implementation of the controls over physical verification of inventory and tested the operating effectiveness of these controls during the interim periods➤ Obtained sufficient and appropriate audit evidences of existence and condition of physical inventories as carried out by the management during the year and subsequent to the year-end. Additionally on a sample basis, we inspected documentation supporting the purchases made prior to the year end and sale made after the year end.➤ Rollback procedures were applied to the inventories verified by the company at subsequent of the year-end to arrive inventories at the year-end. On a sample basis, we independently performed quantity reconciliation from April 1, 2019 to March 31, 2020 for key items of raw material and finished goods.
<p><u>Non Current Investments</u> [Refer to Note 7 to the consolidated financial statements]</p> <p>The Group carries its investments in its listed company at fair value. As at March 31, 2020, total investments amounted to Rs. 558.94 Lakhs and represent 10.18% of total assets.</p> <p>The fair value exercise involves the verification market prices which were readily available for fair valuation and fair value through Other</p>	<p>Our audit procedures included updating our understanding of the processes employed by the company for accounting for and valuing their investment portfolio.</p> <p>We reviewed the valuation methods used and discussed with the management regarding the reasonableness of the basis and assumptions used in respect of valuation of unquoted investments. We cross-checked valuation of quoted investments with market rates at the year end.</p>

Comprehensive Income (FVOCI) in respect of quoted Equity Shares,	
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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 and Management Discussion and Analysis Report (but does not include the standalone financial statements, consolidated financial statements and our auditor’s reports thereon).

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of associate company audited by the other auditor, to the extent to it relates to associate company and, in doing so, place reliance on work of other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. Other information so far as its relates to the associate company is traced from their financial statements audited by other auditors.

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 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 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 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 respective Board of Directors of the companies included in the Group and of its subsidiary are also responsible for overseeing the financial reporting process of the Group and of its subsidiary.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 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 ability of the Group and its subsidiary 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 Company 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.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of the Company and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible

for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 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.

Other Matter

The Consolidated financial statements also include one subsidiary which reflect total assets of Rs. 2057.58 lakh as at 31st March 2020, total revenues of Rs. 1961.55 lakh, total profit after tax of Rs. 116.00 lakh, total comprehensive Income of Rs. 116.00 lakh for the year then ended, , as considered in the consolidated financial statements, whose financial statements have been audited by us. These consolidated financial statements have been furnished by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

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 have been kept by the Company 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 and the Consolidated Cash Flow Statement, Statement of changes in

Equity dealt with by this Report are in agreement with the books of account maintained by the company and its associate company including its relevant records relating to the preparation of the consolidated financial statement.

- (d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors of the company and the report of the statutory auditor of its associate company, none of the directors of the company and its associate company is disqualified as on 31st March, 2020 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 A”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the 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 of the Act.
- (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 Auditors) Rule, 2014, 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 the financial position of the Group and its associate company – Refer Note 37 to the Consolidated Financial Statements;
 - ii. The Company and its associate 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 amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, H S K & Co.
Chartered Accountants
ICAI Firm Registration Number :117014W

Place : Ahmedabad,
Date : 03/06/2020

Sudhir Shah
Partner
Membership No. 115947
UDIN:-20115947AAAABQ6418

Annexure "A"

Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of **Yash Chemex Limited** ("the Company") and its subsidiary company which are incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting.

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external 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 and its associate, which are incorporated in India, have, 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 at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls as stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Clause (i) of Sub-section 3 of Section 143 of the Act on the adequacy and reporting effectiveness of the internal financial controls over financial reporting in so far as it relates to an one subsidiary company incorporated in India, is based on the corresponding report of the auditor of such subsidiary company incorporated in India.

For, H S K & Co.
Chartered Accountants
ICAI Firm Registration Number :117014W

Place : Ahmedabad,
Date : 03/06/2020

Sudhir Shah
Partner
Membership No. 115947
UDIN:- 20115947AAAABQ6418

YASH CHEMEX LIMITED

Consolidated Balance Sheet as at March 31, 2020				
(Rs. in lakhs)				
Particulars		Note No.	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
A	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	5	84.17	55.53
	(b) Capital Work-in-progress	6	0.76	28.48
	(c) Financial assets			
	(i) Investments	7	558.94	338.16
	(ii) Loans	8	237.35	261.08
	Total non - current assets		881.22	683.24
2	Current assets			
	(a) Inventories	9	498.56	674.56
	(b) Financial assets			
	(i) Trade receivables	10	3,090.56	3,369.70
	(ii) Cash and cash equivalents	11	33.05	59.36
	(iii) Bank balances other than cash and cash equivalents	12	0.10	0.25
	(iv) Loans	13	-	0.46
	(v) Other financial assets	14	-	3.85
	(c) Other current assets	15	985.79	274.03
	Total current assets		4,608.07	4,382.20
	Total assets (1+2)		5,489.28	5,065.44
B	EQUITY AND LIABILITIES			
1	EQUITY			
	(a) Equity share capital	16	1,024.34	1,024.34
	(b) Other equity	17	1,045.82	692.57
	Equity attributable to equity holders of the company		2,070.16	1,716.92
	(c) Non-controlling interest		801.97	751.39
	Total equity		2,872.13	2,468.31
2	LIABILITIES			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	18	113.45	29.45
	(b) Provisions	19	15.17	6.66
	(c) Deferred tax liabilities (Net)	20	54.87	15.10
	Total non - current liabilities		183.49	51.21
3	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	21	-	128.03
	(ii) Trade payables	22		
	- Total Outstanding dues to Micro, Small & Medium Enterprise		634.15	552.87
	- Total Outstanding dues to other than Micro, Small & Medium Enterprise		1,488.73	1,814.50
	(iii) Other financial liabilities	23	104.49	4.10
	(b) Other current liabilities	24	151.14	6.80
	(c) Provisions	25	12.19	7.26
	(d) Current tax liabilities (Net)	26	42.97	32.36
	Total current liabilities		2,433.67	2,545.92
	Total equity and liabilities (1+2+3)		5,489.27	5,065.43
	Summary of significant accounting policies			
	The accompanying notes are an integral part of financial statements	1 to 50	-	(0)
As per our Report of even date attached				
For, H S K & Co Chartered Accountants FRN:117014W		For, Yash Chemex Limited		
		Pritesh Y. Shah Managing Director (DIN: 00239665)	Yashwantial C. Shah Whole Time Director (DIN: 001002342)	
CA Sudhir S. Shah Partner M. No. 115947 UDIN: 20115947AAAABQ6418		Kiritbhai H. Shah Chief Financial Officer	Charmi Shah Company Secretary	
Place : Ahmedabad Date : 03/06/2020		Place: Ahmedabad Date : 03/06/2020		

YASH CHEMEX LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2020				
(Rs. in lakhs)				
Particulars		Note No.	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
I	Revenue from operations	27	7,847.74	9,895.69
II	Other income	28	93.82	41.31
III	Total income (I + II)		7,941.56	9,937.00
IV	EXPENSES			
	(a) Cost of materials consumed	29	974.82	18.79
	(b) Purchases of stock-in-trade		6,113.88	9,540.03
	(c) Changes in inventories of finished goods and stock-in-trade	30	249.82	238.96
	(d) Employee benefit expense	31	74.85	71.26
	(e) Finance costs	32	19.12	10.54
	(f) Depreciation and amortisation expense	33	13.77	14.22
	(g) Other expenses	34	93.26	152.04
	Total expenses		7,539.53	9,567.91
V	Profit before tax (III- IV)		402.04	369.09
VI	Tax expense			
	(1) Current tax	35	87.00	113.02
	(2) Deferred tax	35	15.93	3.96
	(3) Tax In Respect of Earlier Year		3.85	-
	Total tax expense		106.78	109.06
VII	Profit for the period (V-VI)		295.26	260.03
VIII	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss			
	Equity instruments through other comprehensive income		145.75	165.69
	Remeasurements of the defined benefit plans		6.88	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		23.84	47.18
	Total other comprehensive income		115.03	118.52
IX	Total comprehensive income for the period (VII+VIII)		410.29	378.55
	Profit for the year attributable to			
	Equity holders of the company		238.22	229.41
	Non-controlling interest		57.05	30.62
	Other comprehensive income attributable to			
	Equity holders of the company		115.03	118.51
	Non-controlling interest		-	-
	Total comprehensive income attributable to			
	Equity holders of the company		353.25	347.92
	Non-controlling interest		57.05	30.62
X	Basic & diluted earnings per share of face value of Rs.10 each fully paid up			
	(1) Basic		2.33	2.24
	(2) Diluted		2.33	2.24
	Significant Accounting Policies	1 to 50		
	The accompanying notes are an integral part of financial statements			
As per our Report of even date attached				
For, H S K & Co Chartered Accountants FRN: 117014W		For, Yash Chemex Limited		
		Pritesh Y. Shah Managing Director (DIN: 00239665)	Yashwantlal C. Shah Whole Time Director (DIN: 001002342)	
CA Sudhir S. Shah Partner M. No.115947 UDIN: 20115947AAAABQ6418		Kiritbhai H. Shah Chief Financial Officer	Charmi Shah Company Secretary	
Place : Ahmedabad Date : 03/06/2020		Place: Ahmedabad Date : 03/06/2020		

YASH CHEMEX LIMITED

Cash Flow Statement for the year ended March 31, 2020		
Particulars	(Rs. in lakhs)	
	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
Cash flow from operating activities		
Profit Before Tax	402.04	369.09
Adjustments for :		
Depreciation and amortisation expense	13.77	14.22
Provision for expected credit loss	60.70	6.63
Finance costs	19.12	10.54
Short term capital gain on mutual fund	-	0.20
Discount Income	-	4.90
Dividend Income	1.53	-
Notional Gain on Fair Valuation of Unsecured Loan	-	1.28
Interest income	19.87	19.05
Operating profit before working capital	352.83	375.05
Changes in operating assets and		
(Increase)/Decrease in inventories	176.01	242.64
(Increase)/Decrease in trade receivables	215.22	136.74
(Increase)/Decrease in Other current financial assets , other current assets , Loans (Current + Non Current)	683.58	228.68
Increase/(Decrease) in trade payable	244.49	283.17
Increase/(Decrease) in other current financial liabilities, other current liabilities , Provisions (Current + Non Current)	258.18	19.95
Cash flow generated from operations	74.16	70.11
Direct taxes paid (net)	44.03	111.67
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A)	30.13	41.56
Cash flows from investing activities		
Purchase of property, plant and equipments (Including CWIP)	14.69	39.69
Interest received	19.87	19.05
Dividend Income	1.53	-
Proceeds from sale of investments	-	125.20
Loans given (financial assets)	-	84.03
Purchase of Non Current Investments made during the year	-	221.76
NET CASH FLOW FROM / (USED IN) IN INVESTING ACTIVITIES (B)	6.71	201.23
Cash flows from financing activities		
Finance costs paid	19.12	10.39
Dividend Paid (including Dividend Distribution Tax)	-	18.36
Proceeds from Issuance of Share Capital (including Security Premium)	-	339.84
Availment \ (Repayment) of Current & Non Current Borrowings	44.03	35.40
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	63.15	275.69
NET INCREASED / (DECREASED) IN CASH AND CASH EQUIVALENTS (A + B + C)	26.31	32.90
Cash and cash equivalents at the beginning of the year	59.36	26.46
Cash and cash equivalents at the end of the year	33.05	59.36

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.

As per our Report of even date attached

For, H S K & Co
Chartered Accountants
FRN: 117014W

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantlal C. Shah
Whole Time Director
(DIN: 001002342)

CA Sudhir S. Shah
Partner
M. No.115947
UDIN: 20115947AAAABQ6418

Kiritbhai H. Shah
Chief Financial Officer

Charmi Shah
Company Secretary

Place : Ahmedabad
Date : 03/06/2020

Place : Ahmedabad
Date : 03/06/2020

YASH CHEMEX LIMITED

Statement of Changes in Equity for the year ended on March 31, 2020

Equity Share Capital (Rs. in lakhs)

Particulars	Note No.	Amount Rs.
Balance as on 1st April, 2018	16	1,024.34
Changes during the year		-
Balance as on 31st March, 2019	16	1,024.34
Changes during the year		-
Balance as on 31st March, 2020	16	1,024.34

Other Equity (Rs. in lakhs)

Particulars	Note No.	Reserves and Surplus		Other Components of Equity	Non-Controlling Interest	Total
		Retained Earnings	Security Premium	Equity Instruments through Other Comprehensive Income		
Balance as at 1st April, 2018	17	216.25	163.22	- 16.46	380.93	743.94
Profit for the year		229.41	-	-	30.62	260.03
Other comprehensive income for the year		-	-	118.51	-	118.51
Payment of Interim Dividends	-	15.18	-	-	-	15.18
Tax on Dividends	-	3.18	-	-	-	3.18
Issuance of Equity Shares to Non-controlling Interest along with premium					339.84	339.84
Balance as at 31st March, 2019	17	427.30	163.22	102.05	751.40	1,443.97
Profit for the year		238.22	-	-	57.05	295.26
Other comprehensive income for the year		-	-	115.03	-	115.03
Payment of Interim Dividends		-	-	-	-	-
Tax on Dividends		-	-	-	-	-
Balance as at 31st March, 2020	17	665.51	163.22	217.09	808.45	1,854.26

As per our Report of even date attached

For, H S K & Co
Chartered Accountants
FRN: 117014W

For, Yash Chemex Limited

Pritesh Y. Shah
Managing Director
(DIN: 00239665)

Yashwantlal C. Shah
Whole Time Director
(DIN: 001002342)

CA Sudhir S. Shah
Partner
M. No. 115947
UDIN: 20115947AAAABQ6418

Kiritbhai H. Shah
Chief Financial Officer

Charmi Shah
Company Secretary

Place : Ahmedabad
Date : 03/06/2020

Place : Ahmedabad
Date : 03/06/2020

A. Significant Accounting Policies :-**1 Corporate information:**

The consolidated consolidated Ind AS financial statements relate to Yash Chemex Limited ("the Group") and its subsidiary "Yasons Chemex Care Limited". The Group 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 Group and its subsidiary is collectively referred to as "the Group". Refer Note No. 48 for details of subsidiary consolidated in the financial statement.

The consolidated consolidated Ind AS financial statements are approved for issue by the Group's Board of Directors on June 3, 2020.

2 Basis of Preparation of consolidated Ind

The principal accounting policies applied in the preparation of these consolidated Ind AS financial statements are set out below. These policies have been consistently applied to all the years presented.

(i) Compliance with Ind-AS

These consolidated Ind AS financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

(ii) Basis of Preparation and presentation

The consolidated Ind AS financial statements have been prepared and presented on the going concern basis and at historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by relevant IND AS.

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.

- (a) Certain financial assets/liabilities measured at fair value (refer accounting policy regarding financial instruments) and
- (b) Any other item as specifically stated in the accounting policy.

iii) Principles of consolidation:

The consolidated Ind AS financial statements relate to Yash Chemex Limited ('the Company') and its subsidiary company. The consolidated Ind AS financial statements have been prepared on the following basis:

- 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 consolidated Ind AS 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.

Notes to financial statement for the year ended March 31, 2020

- c) 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.
- d) 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:
 - i) the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
 - ii) potential voting rights held by the Company, other vote holders or other parties;
 - iii) rights arising from other contractual arrangements; and
 - iv) 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.
- e) Non-Controlling Interest share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- f) As far as possible, the consolidated Ind AS consolidated Ind AS financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate Ind AS consolidated Ind AS financial statements.

(iv) Functional and Presentation Currency

The consolidated Ind AS financial statements are presented in Indian Rupees, which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates.

(v) Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months period has been considered by the Group as its normal operating cycle.

(vi) Rounding of amounts

The consolidated Ind AS financial statements are presented in INR and all values are rounded to the nearest Lakh (INR 1,00,000) as per the requirement of Schedule III, unless otherwise stated.

Notes to financial statement for the year ended March 31, 2020

3 Use of Estimates

The preparation of consolidated Ind AS financial statements requires management of the group to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

a) Critical accounting estimates

Useful lives and residual values of Property, plant and equipment represent a material portion of the Group's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology.

b) Income taxes

The Group has tax jurisdiction in India. Significant judgments are involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

c) Defined benefit obligations

Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgement is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.

d) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

4 Summary of Accounting Policies**4.1 Property, Plant and Equipment (PPE)**

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount/rebate, import duties, non-refundable taxes, Net of Cenvat and GST input credit wherever applicable, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management of the group.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Notes to financial statement for the year ended March 31, 2020

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the group in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Items such as spare parts, standby equipment and servicing equipment are recognised as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

The Group adjusts exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset. The depreciation on such foreign exchange difference is recognised from first day of its financial year.

De-recognised upon disposal

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when asset is derecognised.

Treatment of Expenditure during Construction Period

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

Depreciation

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognized till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

The Group depreciates its property, plant and equipment (PPE) over the useful life in the manner prescribed in Schedule II to the Act. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for plant and equipment wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act. Useful life considered for calculation of depreciation for various assets class are as follows:-

YASH CHEMEX LIMITED

Notes to financial statement for the year ended March 31, 2020

Asset Class	Useful Life
Non-Factory Building	60 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Vehicles	8 & 10 years
Computers	3 years

Depreciation on property, plant and equipment (PPE) added/disposed off during the period is provided on pro-rata basis with reference to the date of addition/disposal.

The identified component of property, plant and equipment (PPE) are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets

4.2 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

4.3 Leases

At the inception of a lease, the lease arrangements is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

As a Lessee:

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowing or other financial liabilities as appropriate.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from lessor) are charged to profit or loss on straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a Lessor:

Lease income from operating leases where the Group is a lessor is recognised in other income on straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Deposits provided to Lessor:

The Group is generally required to pay refundable security deposits in order to obtain property leases from various lessors.

Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of deposit is recognised as lease prepayments. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments

Subsequent to initial recognition, the security deposit is measured at amortised cost using the effective interest method with carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognised as interest income. The lease repayment is amortised on straight-line basis over the lease term as lease rentals expense.

4.4 Inventories

Inventories consisting of stores and spares, raw materials, work in progress, stock in trade, goods in transit and finished goods are valued at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis and is net of credits under GST.

Traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Goods and materials in transit include materials, duties and taxes (other than those subsequently recoverable from tax authorities) labour cost and other related overheads incurred in bringing the inventories to their present location and condition.

4.5 Borrowing Cost

Borrowing cost includes interest expense, amortisation of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to the acquisition or construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment 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 cost are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Notes to financial statement for the year ended March 31, 2020

4.6 Impairment of Assets

At the end of each reporting period, the Group reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that these 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. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss. Recoverable amount is the higher of fair value less costs to sell 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.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

4.6 Government Grants

Government grants are recognized when there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received. When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on a systematic basis over the expected useful life of the related asset.

4.7 Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals

b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Notes to financial statement for the year ended March 31, 2020

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date 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 assets and liabilities 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 balance sheet date. 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 reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

c) Minimum Alternate Tax (MAT)

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence, it is presented as Deferred Tax Asset.

4.8 Employee Benefits

a) Employee Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled

Notes to financial statement for the year ended March 31, 2020

b) Post-employment obligations**i) Defined benefit plans-Gratuity obligations**

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows 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 benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and 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 expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change 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 the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or

ii) Defined contribution plans

The Group pays provident fund contributions to publicly administered funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

4.8 Provisions, Contingent Liability and Contingent Assets

Disputed liabilities and claims against the Group including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise, GST etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts. However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability. No contingent asset is recognized but disclosed by way of notes to accounts.

4.9 Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method

4.10 Revenue Recognition

Notes to financial statement for the year ended March 31, 2020

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government such as Goods and Services Tax, etc.

Sale of Goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue from sales excludes GST. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from rendering of services is recognized as per the terms of the contract with customers when related services are performed and when the outcome of the transactions involving rendering of services can be estimated reliably.

Dividend Income

Dividend Income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Interest Income

Interest Income on financial assets measured at amortised cost is recognised on a time-proportion basis using the effective interest method.

4.11 Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the IND AS 7. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, 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 book overdrafts. However, Book overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

4.12 Earnings per share

i) Basic earnings per share

- a) The profit attributable to owners of the Group
- b) By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

ii) Diluted earnings per share

- a) The after 'income-tax' effect of interest and other financing costs associated with dilutive potential equity shares, and
- b) The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

4.13 Segment Reporting

Notes to financial statement for the year ended March 31, 2020

Based on “Management Approach” as defined in IND AS 108 – Operating Segments, the Management evaluates the Group’s performance and allocates the resources based on an analysis of various performance indicators by business segments. The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated Ind AS financial statements of the Group as a whole.

4.14 Foreign Currency Transactions

In preparing the consolidated Ind AS financial statements of the Group, transactions in foreign currencies, other than the Group’s functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency, are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise except for:

- a) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- b) exchange differences on transactions entered into in order to hedge certain foreign currency risks.

4.15 Fair Value Measurement

The Group measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

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

In the principal market for the asset or liability, or In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated Ind AS financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Notes to financial statement for the year ended March 31, 2020

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

4.16 Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Group after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of consolidated Ind AS financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the consolidated Ind AS financial statements.

4.17 Financial Instruments

a) Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue

b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- i) amortized cost;
- ii) Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- iii) Fair Value Through Profit and Loss (FVTPL)

Notes to financial statement for the year ended March 31, 2020

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss

c) De-recognition**Financial assets**

The Group de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Notes to financial statement for the year ended March 31, 2020

Financial liabilities

The Group de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

d) De-recognition

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020

Note 5: Property, Plant and Equipment

(Rs. in lakhs)

Particulars	Vehicles	Buildings	Plant & Machinery	Office Equipments	Computers	Furniture &	Total
Gross Carrying Value as on March 31, 2018	2.94	30.37	-	0.60	1.82	1.03	36.75
Addition during the year	35.10	-	-	-	1.16	-	36.26
Deduction during the year	-	-	-	-	-	-	-
Gross Carrying Value as on March 31, 2019	38.04	30.37	-	0.60	2.98	1.03	73.01
Addition during the year	-	8.41	33.37	0.07	0.50	0.06	42.41
Deduction during the year	-	-	-	-	-	-	-
Gross Carrying Value as on March 31, 2020	38.04	38.78	33.37	0.67	3.48	1.09	115.42
Accumulated depreciation as on March 31, 2018	0.88	1.42	-	0.30	0.38	0.28	3.27
Addition during the year	11.55	1.36	-	0.11	0.99	0.20	14.22
Deduction during the year	-	-	-	-	-	-	-
Accumulated depreciation as on March 31, 2019	12.43	2.78	-	0.41	1.37	0.49	17.49
Addition during the year	7.97	1.39	3.16	0.03	1.02	0.20	13.77
Deduction during the year	-	-	-	-	-	-	-
Accumulated depreciation as on March 31, 2020	20.40	4.17	3.16	0.44	2.39	0.69	31.26
Net Carrying Value as on March 31, 2019	25.61	27.58	-	0.19	1.60	0.54	55.53
Net Carrying Value as on March 31, 2020	17.64	34.60	30.21	0.23	1.08	0.40	84.17

Notes:

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020

i. Assets Given as security:

Refer Note. 18 & 21 for disclosure of assets given as security.

ii. Capitalised borrowing cost:

Borrowing Cost Capitalised on Property, Plant and Equipment during the year ended March 31, 2020 - Rs. Nil/-
(for the year ended March 31, 2019: Rs. Nil/-).

iii. Contractual obligations:

Refer Note. 36 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 March 31, 2018	8.42	16.64	25.05
Addition during the period	-	5.38	5.38
Deduction during the period	-	1.95	1.95
As on March 31, 2019	8.42	20.07	28.48
Addition during the year	-	0.76	0.76
Deduction during the year	8.42	20.07	28.49
As on March 31, 2020	- 0.00	0.76	0.76

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020						
7	<u>Non-current Investments</u>	YASH CHMEX -As at March 31, 2020 Rs.	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Investments in Equity Instruments at fair value through other comprehensive income (Quoted)					
	Mahickra Chemical Ltd. (605000 shares as on 31-03-2020,500000 shares as on 31-03-2019) of face value Rs. 10 each fully paid up.	496.10	-		496.10	240.50
	Hindprakash Industries Ltd (42000 shares as on 31-03-2020, Nil shares as on 31-03-2019) of face value Rs. 10 each fully paid up.	17.18			17.18	
	Ushanti Colour Chem Ltd (158000 shares as on 31-03-2020,156000 shares as on 31-03-2019) of face value Rs. 10 each fully paid up.	45.66	-		45.66	97.66
	Total	1,051.59	-		558.94	338.16
	Aggregate amount of quoted investment - At cost	-			271.80	196.77
8	<u>Non-current loans</u>	YASH CHMEX -As at March 31, 2020 Rs.	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Unsecured and considered good					
	Security Deposits	1.80	3.14		4.94	2.99
	Loans to Others	-	232.41		232.41	258.09
	Total	1.80	235.55		237.35	261.08
9	<u>Inventories</u>	YASH CHMEX -As at March 31, 2020	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Raw materials	-	75.34		75.34	3.67
	Work-in-Process		1.32		1.32	-
	Finished Stock	-	20.71		20.71	17.31
	Stores & Others		13.45		13.45	-
	Stock in Trade	295.23	92.52		387.75	653.58
	Total	295.23	203.33		498.56	674.56
10	<u>Trade receivables</u>	YASH CHMEX -As at March 31, 2020	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Unsecured,					
	Considered Good	2,106.03	990.84	6.30	3,090.56	3,369.70
	Credit impaired	7.44	2.00		9.44	70.14
		2,113.47	992.83		3,100.00	3,439.84
	Less: Allowance for Expected Credit Loss	7.44	2.00		9.44	70.14
	Total	2,106.03	990.84		3,090.56	3,369.70

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020					
Notes:					
i. For Dues from Related Parties , refer note -46					
ii. The Fair Values of Trade Receivables are not considered to be significantly different from their carrying values, given their generally short period to maturity, with impairment reviews considered on an individual basis rather than when these become overdue.					
iii. 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, 2020 Rs.	As at March 31, 2019 Rs.
Balance at the beginning of the year				87.79	62.43
Add : Allowance made during the year				-	25.35
Less : Reversal of allowance made during the year				78.35	-
Closing Balance				9.44	87.79
11 Cash & Cash Equivalents					
	YASH CHEMEX -As at March 31, 2020 Rs.	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Balances with Bank - In Current Account	5.66	24.70		30.36	40.31
Cash on hand	2.14	0.55		2.69	19.05
Total	7.80	25.24		33.05	59.36
12 Bank balances other than cash and cash equivalents					
	YASH CHEMEX -As at March 31, 2020 Rs.	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Fixed deposits with banks (with original maturity more than 3 months but less than 12 months)	0.10	-		0.10	0.25
Total	0.10	-		0.10	0.25
13 Loans					
	YASH CHEMEX -As at March 31, 2020 Rs.	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Unsecured and considered good					
Loans to Others	-	-		-	0.46
Total	-	-		-	0.46
14 Other Current Financial Assets					
	YASH CHEMEX -As at March 31, 2020 Rs.	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Unsecured and considered good					
Advances to employees	-	-		-	3.68
Others	-	-		-	0.17
Total	-	-		-	3.85
15 Other Current Assets					
	YASH CHEMEX -As at March 31, 2020 Rs.	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Unsecured, considered good					
Advances to Suppliers Other than Capital Advance	406.27	171.48		577.74	235.07
Prepaid Expenses	0.33	2.39		2.71	2.99
Balances with Statutory Authorities	32.98	2.78		35.76	35.97
Others	-	369.57		369.57	-
Total	439.58	546.22		985.79	274.03

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020

16	Equity Share Capital	YASH CHMEX -As at March 31, 2020	YASONS -As at March 31, 2020 Rs.	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	[i] Authorised Share Capital: 110,00,000 Equity shares of Rs. 10 each as at March 31, 2020 (110,00,000 Equity shares of Rs. 10 each as at March 31, 2019)	1,100.00	660.00	1,100.00	1,100.00
	[ii] Issued, Subscribed & Paid-up Capital : 1,02,43,425 equity shares of Rs. 10 each fully paid as at March 31, 2020 (1,02,43,425 equity shares of Rs. 10 each fully paid as at March 31, 2020)	1,024.34	590.08	1,024.34	1,024.34
	Total	1,024.34	590.08	1,024.34	1,024.34

(a) Reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2020 and March 31, 2019, is set out below:-

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amt (Rs.)	No. of Shares	Amt (Rs.)
Shares at the beginning	1,02,43,425	1,024.34	1,02,43,425	1,024.34
Addition	-	-	-	-
Deletion	-	-	-	-
Shares at the end	1,02,43,425	1,024.34	1,02,43,425	1,024.34

(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, 2020 Rs.	As at March 31, 2019 Rs.
Pritesh Y Shah	Nos.			17,60,004.00	17,60,004.00
	%			17.18	17.18
Pritesh Y Shah HUF	Nos.			9,72,496.00	9,72,496.00
	%			9.49	9.49
Yashvantbhai C Shah HUF	Nos.			7,49,192.00	7,49,192.00
	%			7.31	7.31
Yashvantbhai C Shah	Nos.			6,03,850.00	6,03,850.00
	%			5.90	5.90
Dimple P Shah	Nos.			7,80,500.00	7,80,500.00
	%			7.62	7.62
Lalit K Patel	Nos.			10,53,750.00	10,53,750.00
	%			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) Aggregate number and class of shares bought back :- Nil

(f) Securities which are convertible into Equity Shares :- Nil

(g) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash :- Nil

(h) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash :- Nil

(i) Aggregate Value of Calls unpaid by directors and officers :- Nil

(j) Aggregate number and class of shares allotted as fully paid by way of Bonus Shares :- Nil

(k) 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: During the financial year 2017-18, Company has issued 61,46,055 Bonus shares to the shareholders.

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020					
17	Other Equity	YASH CHEMEX -As at March 31, 2020	YASONS -As at March 31, 2020 Rs.	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Security Premium				-
	Balance as per last Consolidated Financial Statement	163.22	601.76	163.22	163.22
	Add : Received during the year			-	-
	Less: Utilised for issuance of bonus shares			-	-
	Closing Balance	163.22	601.76	163.22	163.22
	Surplus in Statement of Profit & Loss :				
	Balance as per last Consolidated Financial Statement	372.87	99.79	427.30	216.25
	Add : Profit for the year	178.90	116.36	238.22	229.41
	Less: Interim Dividend Paid			-	15.18
	Less: Tax on Final Dividend			-	3.18
	Net Surplus in the statement of profit and loss	551.77	216.15	665.51	427.30
	Other Comprehensive Income				
	Balance as per last Consolidated Financial Statement	102.05		102.05	16.46
	Add\ (Less): Other Comprehensive Income For the Year	138.87		138.87	118.51
	Less : Income tax relating to above items that will not be reclassified to profit or loss	-		-	-
	Net Surplus in the statement of other comprehensive income	217.09	-	217.09	102.05
		768.86	216.15	882.60	529.35
	Total	932.08	817.91	1,045.82	692.56
	Securities 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.				
	Other Comprehensive Income: This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off. It also includes re-measurement loss and gain on defined benefit plans, net of taxes that will not be reclassified to profit and loss.				

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020						
18	Non-Current Borrowings	YASH CHMEX -As at March 31, 2020	YASONS -As at March 31, 2020		As at March 31, 2020	As at March 31, 2019
					Rs.	Rs.
	Secured Borrowing from Banks		41.71		41.71	27.07
	Unsecured Borrowing from Banks	55.67			55.67	-
	Unsecured Borrowing from Financial Institutions	16.07			16.07	-
	Unsecured Borrowing from Directors		-		-	2.38
	Total	71.74	41.71	-	113.45	29.45
	Secured Borrowing: Vehicle loan from Banks & Financial Institutions are secured by way of hypothecation of respective motor vehicles purchased. The said loans are repayable in 84 equal monthly instalments ,carry interest rate ranging from 8% to 9% p.a					
	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. Business loan is unsecured and payable as per agreed repayment schedule ranging from 12 Months to 36 Months monthly installments carry interest rate ranging from 14.50% to 16.% p.a.					
19	Non-Current Provisions	YASH CHMEX -As at March 31, 2020	YASONS -As at March 31, 2020		As at March 31, 2020	As at March 31, 2019
					Rs.	Rs.
	Provision for Gratuity	15.17	-		15.17	6.66
	Total	15.17	-		15.17	6.66
20	Deferred Tax Asset (Net)	YASH CHMEX -As at March 31, 2020	YASONS -As at March 31, 2020		As at March 31, 2020	As at March 31, 2019
					Rs.	Rs.
	Deferred Tax Assets					
	Allowance for Expected Credit Loss on Trade Receivables	2.43	0.50		2.93	19.34
	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	-	0.00		0.00	1.53
	Unpaid liability allowable on payment basis in succeeding years u/s. 43B of the Income tax Act, 1961	6.02	-		6.02	3.87
	Fair Valuation of investment in Equity Instruments	-	-			-
	Total Deferred Tax Assets	8.45	0.50		8.96	24.74
	Deferred Tax Liabilities					
	Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment	0.65	-		0.65	0.51
	Fair Valuation of investment in Equity Instruments	63.17	-		63.17	39.33
	Total Deferred Tax Liabilities	63.82	-		63.82	39.85
	Net	- 55.37	0.50		- 54.87	15.10

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020						
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 March 31, 2018 *	-	7.84			0.23	20.50
(Charged) / credited:						
to profit or loss	3.87	-			1.24	1.15
to other comprehensive income	-	47.18			-	-
At March 31, 2019 *	3.87	39.33			1.02	19.34
(Charged) / credited:						
to profit or loss	2.15	-			1.67	16.41
to other comprehensive income	-	23.84			-	-
At March 31, 2020 *	6.02	63.17			0.65	2.93
21 Current Borrowings						
		YASH CHMEX -As at March 31, 2020 Rs.	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Secured Borrowing						
From Banks - Cash Credit Facility		-	-		-	109.12
Secured Deposits						
Inter-corporate deposits		-	-		-	18.90
Total		-	-		-	128.03
Notes:						
i) Cash Credit facility availed from Bank is secured by Charge on Current Assets, Fixed deposits, and Equitable mortgage of Residential Bunglows & personal guarantee of Directors Mr. Pritesh Y Shah and Yashwant C Shah.						
ii) Unsecured Borrowing from Non-banking Financial Institutions (NBFCs) is repayable as per agreed repayment schedule within a period of 12 months. Security deposits are from third parties carrying interest rate of 12% p.a. The same are payable on demand						
22 Trade payables						
		YASH CHMEX -As at March 31, 2020 Rs.	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Payable to Micro and Small Enterprise (Refer note below)		513.47	120.68		634.15	552.87
Payable to others		1,174.62	320.41	6.30	1,488.73	1,814.50
Total		1,688.09	441.09		2,122.88	2,367.37
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. For Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 refer note - 43						
23 Other Current Financial Liabilities						
		YASH CHMEX -As at March 31, 2020 Rs.	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Current Maturity of long term borrowings		100.04	4.45		104.49	4.10
Total		100.04	4.45		104.49	4.10
24 Other Current Liabilities						
		YASH CHMEX -As at March 31, 2020 Rs.	YASONS -As at March 31, 2020 Rs.		As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Advance received from customers		-	136.86		136.86	
Other Statutory dues		13.32	0.96		14.28	6.80
Total		13.32	137.82		151.14	6.80

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020						
25	Current Provisions	YASH CHEMEX -As at March 31, 2020	YASONS -As at March 31, 2020		As at March 31, 2020	As at March 31, 2019
			Rs.		Rs.	Rs.
	Provisions for Gratuity	12.19	-		12.19	7.26
	Total	12.19	-		12.19	7.26
26	Current Tax Liabilities (Net)	YASH CHEMEX -As at March 31, 2020	YASONS -As at March 31, 2020		As at March 31, 2020	As at March 31, 2019
			Rs.		Rs.	Rs.
	Provision For Income tax	17.95	25.02		42.97	32.36
	Total	17.95	25.02		42.97	32.36
27	Revenue from operation	Yash Chemex - Year Ended 31.03.2020	Yasons Chemex Care Limited - Year Ended 31.03.2020	Inter-company Transactions	Year Ended March 31, 2020	Year Ended March 31, 2019
					Rs.	Rs.
	Sale of Products	6,652.25	1,940.97	745.48	7,847.74	9,870.65
	Rendering of Services				-	25.05
	Total	6,652.25	1,940.97	745.48	7,847.74	9,895.69
28	Other Income	Yash Chemex - Year Ended 31.03.2020	Yasons Chemex Care Limited - Year Ended 31.03.2020		Year Ended March 31, 2020	Year Ended March 31, 2019
					Rs.	Rs.
	Interest income	0.04	19.84		19.87	19.05
	Gain on Fair Valuation of Unsecured Loan	-	-		-	1.28
	Foreign Exchange Gain	-	-		-	5.46
	Other Income	71.68	0.75		72.42	15.00
	Dividend Income	1.53	-		1.53	-
	Speculation Income	-	-		-	0.33
	Short term capital gain on mutual fund	-	-		-	0.20
	Total	73.24	20.58		93.82	41.31
29	Cost of Materials Consumed	Yash Chemex - Year Ended 31.03.2020	Yasons Chemex Care Limited - Year Ended 31.03.2020	Inter-company Transactions	Year Ended March 31, 2020	Year Ended March 31, 2019
					Rs.	Rs.
	Inventory at the beginning of the year	-	3.67		3.67	-
	Add: Purchase	-	1,046.49		1,046.49	22.47
	Less: Inventory at the end of the year	-	75.34		75.34	3.67
	Cost of Materials Consumed	-	974.82		974.82	18.79

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020					
30	Change In Inventories Of Finished Goods And Stock in Trade	Yash Chemex - Year Ended 31.03.2020	Yasons Chemex Care Limited - Year Ended 31.03.2020	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Inventory at the beginning of the year				
	Stock in Trade	605.66	50.07	655.73	431.93
	Finished Stock	-	17.31	17.31	-
		605.66	67.38	673.04	431.93
	Inventory at the end of the year				
	Work-in-process		1.32	1.32	-
	Stock in Trade	295.23	92.52	387.75	653.58
	Finished Stock	-	20.71	20.71	17.31
	Packing Material Stock		13.45	13.45	-
	295.23	127.99	423.22	670.89	
Decretion / (Accretion) to Stock	310.44	60.61	249.82	238.96	
31	Employee Benefit Expense	Yash Chemex - Year Ended 31.03.2020	Yasons Chemex Care Limited - Year Ended 31.03.2020	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Salary, Wages & Bonus Expenses	17.13	9.66	26.79	21.27
	Directors Remuneration	38.00	3.50	41.50	36.07
	Gratuity Expenses	6.56	-	6.56	13.92
	Total	61.68	13.16	74.85	71.26
32	Finance Costs	Yash Chemex - Year Ended 31.03.2020	Yasons Chemex Care Limited - Year Ended 31.03.2020	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Interest Paid to Banks & Financial Institutions	7.70	2.64	10.34	5.31
	Interest expense on financial liability recognised at amortised cost	-	1.12	1.12	0.16
	Interest Paid to Others	3.18	1.13	4.32	4.14
	Other borrowing cost	2.92	0.43	3.35	0.93
	Total	13.80	5.32	19.12	10.54
33	Depreciation And Amortisation Expense	Yash Chemex - Year Ended 31.03.2020	Yasons Chemex Care Limited - Year Ended 31.03.2020	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Depreciation on Property, Plant & Equipment	2.01	11.77	13.77	14.22
	Total	2.01	11.77	13.77	14.22

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020					
34	Other Expenses	Yash Chemex - Year Ended 31.03.2020	Yasons Chemex Care Limited - Year Ended 31.03.2020	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Import related Charges and Expenses	21.13	-	21.13	21.84
	Transportation Expenses	12.11	3.18	15.29	20.49
	Advertisement Expenses	0.31	-	0.31	2.57
	Auditor's Remuneration	4.00	1.00	5.00	1.35
	Director Sitting Fees	1.18	-	1.18	0.58
	Electricity Charges	0.84	0.89	1.74	1.13
	Insurance Charges	4.92	1.72	6.64	1.46
	Labour chages	-	1.07	1.07	-
	Other Expenses	1.45	4.17	5.62	40.08
	Legal & Professional Fees	9.71	2.78	12.48	17.73
	Telephone Expenses	0.58	-	0.58	0.87
	Travelling & Conveyance Expenses	0.33	0.63	0.96	0.90
	Foreign Exchange Loss	9.71	-	9.71	-
	Rent Rates & Taxes	59.99	9.76	69.74	34.52
	Repair & Maintenance - Building	-	0.55	0.55	-
	Repair & Maintenance - Computers & Others	-	0.86	0.86	-
	Reversal of expected credit losse allowance	53.39	7.30	60.70	6.62
	Donation	-	-	-	1.11
	Printing & Stationery & Postage Expenses	0.58	0.50	1.09	0.78
	Total	73.45	19.81	93.26	152.04
35.1	Income tax recognised in profit or loss			Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Current tax:				
	In respect of the current year			87.00	110.00
	In respect of the prior year			3.85	3.02
	Sub-Total (i)			90.85	113.02
	Deferred tax:				
	In respect of the current year			15.93	3.96
	Sub-Total (ii)			15.93	3.96
	Total (i + ii)			106.77	109.06
35.2	Income tax reconciliation			Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Particulars				
	Profit before tax			402.04	369.09
	Tax expenses reported during the year			106.78	109.06
	Income tax expenses calculated at effective tax rate (25.168% current year and 27.82% previous year)			101.19	102.68
	Tax Effect of			5.59	6.38
	Expenses not allowed for tax purpose			22.04	0.07
	Income not considered for tax purpose & Other deductible expenses			308.07	0.36
	Related to Deferred Tax Balances			19.89	9.28
	Other Items			372.92	100.07
	Total			106.78	109.06

Notes to Consolidated Financial Statement for the year ended March 31, 2020

36	Capital Commitment Details of outstanding capital commitments are as under:	(Rs. in lakhs)	
	Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Estimated amount of contracts remaining to be executed on capital account and not provided for	10.52	10.52
	Advance paid against such contracts	-	-
	Remaining outstanding commitment	10.52	10.52
37	Contingent Liabilities Details of contingent liabilities are as under:		
	Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Outstanding Tax Matters:		
	(i) Demand U/s 143(3) r.w.e. 147 of the Income Tax Act for A.Y.2011-12 against which Appeal filled by company and matter is pending before CIT (Appeals).	138.26	138.26
	(ii) Demand U/s 143(3) r.w.e. 147 of the Income Tax Act for	102.49	-
38	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, 2020; the group provides for the Liability for Gratuity to employees determined on the basis of actuarial Valuation based on Projected Unit Credit method.		
	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	As at March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	In Income Statement	6.56	13.92
	In Other Comprehensive Income	6.88	-
	Total Expenses Recognized	13.44	13.92
	A1. Expenses Recognized in the Income Statement		
	Particulars	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
	Current Service Cost	6.56	13.92
	Expenses Recognized in the Statement of Profit and Loss	6.56	13.92

Notes to Consolidated Financial Statement for the year ended March 31, 2020				
B. Net Liability recognized in the balance sheet				
Particulars	As at March 31, 2020		As at March 31, 2019	
	Rs.		Rs.	
Present Value of Obligation	27.36		13.92	
Fair value of plan assets	-		-	
Surplus / (Deficit)	27.36		13.92	
Net (Liability) recognized in the Balance sheet	- 27.36		- 13.92	
Current Liability	12.19		7.26	
Non-current Liability	15.17		21.18	
B1. Changes in the Present value of Obligation				
Particulars	As at March 31, 2020		As at March 31, 2019	
	Rs.		Rs.	
Present Value of Obligation as at the beginning	-		-	
Current Service Cost	5.79		-	
Interest Expense or Cost	0.77		-	
Re-measurement (or Actuarial) (gain) / loss :	-		-	
Past Service Cost	-		-	
Benefits Paid	-		-	
Present Value of Obligation as at the end of the year	6.56		- 13.92	
C. Actuarial Assumptions				
Particulars	As at March 31, 2020		As at March 31, 2019	
	Rs.		Rs.	
Discount Rate	6.60% p.a.		7.50% p.a.	
Expected rate of salary increase	7.00% p.a.		7.00% p.a.	
Expected Return on Plan Assets	Not Applicable		Not Applicable	
Mortality	Indian Assured Lives Mortality (2012-14) Table		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		10.00% p.a at younger ages reducing to 2.00% p.a% at older ages	
Retirement Age	60 Years		60 Years	
D. Sensitivity Analysis				
Particulars	Year Ended March 31, 2020		Year Ended March 31, 2019	
	Rs.		Rs.	
Defined Benefit Obligation (Base)	6.88		-	
Particulars	Year Ended March 31, 2019			
	Rs.			
	Decrease		Increase	
Discount Rate (- / + 0.5%) (% change compared to base due to sensitivity)	0.40		-	
Salary Growth Rate (- / + 0.5%) (% change compared to base due to sensitivity)	-		0.15	
Attrition Rate (W.R. x 90% / W.R. x 110%) (% change compared to base due to sensitivity)	-		0.13	
Particulars	Year Ended March 31, 2020			
	Rs.			
	Decrease		Increase	
Discount Rate (- / + 0.5%) (% change compared to base due to sensitivity)	26.13		-	
Salary Growth Rate (- / + 0.5%) (% change compared to base due to sensitivity)	27.33		-	
Attrition Rate (W.R. x 90% / W.R. x 110%) (% change compared to base due to sensitivity)	27.12		-	

Notes to Consolidated Financial Statement for the year ended March 31, 2020

E. Maturity Profile of Project Benefit Obligation

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Weighted average duration (based on discounted cash flows)	7.04	10.00
Expected cashout flows over the next (valued on undiscounted basis):		
	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
1 year	11.75	7.26
2 to 5 years	4.54	2.37
6 to 10 years	5.17	2.91

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

(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) Liquidity 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.

39 Segment Reporting

The Group operates in a single segment and in line with Ind AS - 108 - "Operating Segments", the operation of the Group which is considered to be the only reportable business segment, and therefore, no separate disclosure on segment information is given in these consolidated financial statements.

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020

40	Fair Value Measurements							
	Financial instrument by category and their fair value							(Rs. in lakhs)
	As at 31st March, 2020	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	-	558.94	-	558.94	558.94	-	-	558.94
Loans - Non Current	-	-	237.35	237.35	-	-	-	-
Trade Receivables	-	-	3,090.56	3,090.56	-	-	-	-
Cash and Cash Equivalents	-	-	33.05	33.05	-	-	-	-
Other Bank Balances	-	-	0.10	0.10	-	-	-	-
Loans - Current	-	-	-	-	-	-	-	-
Other Current Financial Assets	-	-	-	-	-	-	-	-
Total Financial Assets	-	558.94	3,361.07	3,920.01	558.94	-	-	558.94
Financial Liabilities								
Borrowings								
Non Current	-	-	113.45	113.45	-	-	-	-
Current	-	-	-	-	-	-	-	-
Trade Payables	-	-	2,122.88	2,122.88	-	-	-	-
Other Current Financial Liabilities	-	-	151.14	151.14	-	-	-	-
Total Financial Liabilities	-	-	2,387.47	2,387.47	-	-	-	-

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020

(Rs. in lakhs)

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	-	338.16	-	338.16	338.16	-	-	338.16
Loans - Non Current	-	-	261.08	261.08	-	-	-	-
Trade Receivables	-	-	3,369.70	3,369.70	-	-	-	-
Cash and Cash Equivalents	-	-	59.36	59.36	-	-	-	-
Other Bank Balances	-	-	0.25	0.25	-	-	-	-
Loans - Current	-	-	0.46	0.46	-	-	-	-
Other Current Financial Assets	-	-	3.85	3.85	-	-	-	-
Total Financial Assets	-	338.16	3,694.69	4,032.84	338.16	-	-	338.16
Financial Liabilities								
Borrowings								
Non Current	-	-	29.45	29.45	-	-	-	-
Current	-	-	128.03	128.03	-	-	-	-
Trade Pavables	-	-	2,367.37	2,367.37	-	-	-	-
Other Current Financial Liabilities	-	-	4.10	4.10	-	-	-	-
Total Financial Liabilities	-	-	2,528.95	2,528.95	-	-	-	-

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:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

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)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Notes to Consolidated Financial Statement for the year ended March 31, 2020

41 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, 2020

(Rs. in lakhs)

Contractual maturities of financial liabilities as at March 31, 2020	Carrying Amount	Contractual Cash Flows			
		On demand or within 1 year	Over 1 year within 2 years	After 3 years	Total
Non - Current Borrowings	113.45	-	81.86	31.59	113.45
Current Borrowings	-	-	-	-	-
Trade Payables	2,122.88	2,122.88	-	-	2,122.88
Other Current Financial Liability	104.49	104.49	-	-	104.49
Total	2,340.82	2,227.37	-	-	2,340.82

(Rs. in lakhs)

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	After 3 years	Total
Non - Current Borrowings	29.45	-	22.67	6.78	29.45
Current Borrowings	128.03	128.03	-	-	128.03
Trade Payables	2,367.37	2,367.37	-	-	2,367.37
Other Current Financial Liability	4.10	4.10	-	-	4.10
Total	2,528.95	2,499.50	-	-	2,528.95

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, 2020, 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, 2020 Rs.	As at March 31, 2019 Rs.
Trade Payables	USD	0.81	1.66
	INR	60.82	114.73

Notes to Consolidated Financial Statement for the year ended March 31, 2020					
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:					
	Particulars	Impact on Profit before tax			
		Year Ended March 31, 2020 Rs.		Year Ended March 31, 2019 Rs.	
		5% Increase	5% Decrease	5% Increase	5% Decrease
		USD	- 3.04	3.04	- 5.74
Total	- 3.04	3.04	- 5.74	5.74	
b) Interest Risk					
Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.					
With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken. 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					
	Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.		
	Non Current Borrowings	113.45	29.45		
	Current Borrowings	-	128.03		
	Total	113.45	157.48		
For details of the Group's short-term and long term loans and borrowings, including interest rate profiles, refer to Note 18 and 21 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.					
	Particulars	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.		
	50bp increase would decrease the profit before tax by	- 0.57	- 0.64		
	50bp decrease would increase the profit before tax by	0.57	0.64		
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, 2020, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.					
i) Exposure					
The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.					
ii) Sensitivity					
The table below summarizes the impact of increases/decreases of the BSE index on the Group's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Group's equity instruments moved in line with the index.					
	Impact on Other Comprehensive Income - OCI	Movement in Rate %.	As at March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.	
	Equity Shares (Quoted)	5%	27.95	16.91	
	Equity Shares (Quoted)	-5%	27.95	- 16.91	
Above referred sensitivity pertains to quoted equity investment. Profit for the year would increase/ (decrease) as a result of gains/ losses on equity securities as at fair value through other comprehensive income before net of tax.					

YASH CHEMEX LIMITED

Notes to Consolidated Financial Statement for the year ended March 31, 2020			
43	Due to Micro, Small and Medium Enterprise		
	Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below:		
	Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Principal amount remaining unpaid to any supplier as at the year end	634.15	552.87
	Interest due and remaining unpaid to any supplier as at the end of accounting year	-	-
	Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
	Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act, 2006	-	-
	Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
	Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006		
	Total	634.15	552.87
42	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.		
	The gearing ratio at the end of the reporting period was as follows:		
	Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Debt	113.45	157.48
	Cash and bank balances	33.05	59.60
	Net debt	80.40	97.88
	Equity	2,872.13	2,468.31
	Net debt to equity ratio	0.03	0.04
43	Details of Payment to Auditors		
	Particulars	Year Ended March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Payment to		
	Statutory Audit	4.00	1.05
	Tax Audit Fees	0.50	0.30
	Others (Fees for Other Audit Related Services)	0.50	-
	Total	5.00	1.35

Notes to consolidated financial statement for the year ended March 31, 2020

44	Interest in Subsidiaries:			
44.1	Subsidiaries:			
	The group's subsidiaries at March 31, 2020 and March 31, 2019 are set out below:			
	Name of entity	Place of business	Principal activities	As at March 31, 2020
				As at March 31, 2019
	Yasons Chemex Care Limited:			
	Ownership Interest Held by the Company	India	Manufacturing and trading of Chemical as well as perfume products	0.51
	Ownership interest held by non-controlling interests			50.87%
				0.49
				49.13%
44.2	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: (Rs. in lakhs)			
	Particulars	Yasons Chemex Care Limited		
		As at March 31, 2020	As at March 31, 2019	
	Current assets	1,765.26	1,256.84	
	Current liabilities	608.38	252.88	
	Net Current assets / (liabilities)	1,156.89	1,003.96	
	Non-current assets	292.82	317.13	
	Non-current liabilities	41.71	29.45	
	Net Non-current assets / (liabilities)	251.10	287.67	
	Net Assets	1,407.99	1,291.63	
	Accumulated Non-controlling interest	801.97	751.40	
	(ii) Summarised Statement of Profit and Loss of subsidiaries during each financial year: (Rs. in lakhs)			
	Particulars	Yasons Chemex Care Limited		
		Year Ended March 31, 2020	Year Ended March 31, 2019	
		Rs.	Rs.	
	Revenue	1,940.97	1,856.63	
	Profit for the year	158.58	64.52	
	Other Comprehensive Income	-	-	
	Profit / (loss) attributable to Non-controlling interest	57.05	30.62	
	Other Comprehensive Income attributable to Non-controlling interest	-	-	
	Total comprehensive income attributable to Non-controlling interest	57.05	30.62	
	(iii) Summarised Cash Flows of subsidiaries: (Rs. in lakhs)			
	Particulars	Yasons Chemex Care Limited		
		Year Ended March 31, 2020	Year Ended March 31, 2019	
		Rs.	Rs.	
	Cash flows from operating activities	- 53.12	- 123.84	
	Cash flows from investing activities	- 5.21	- 20.74	
	Cash flows from financing activities	37.51	175.06	
	Net increase/ (decrease) in cash and cash equivalents	- 20.82	30.48	

YASH CHEMEX LIMITED

Notes to financial statement for the year ended March 31, 2020			
45 Earnings Per Share (EPS)			
Particulars	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.	
Net Profit / (Loss) for calculation of basic / diluted EPS	238.22	229.41	
Weighted Average Number of Equity Shares in calculating Basic and Diluted Earnings/(Loss) Per Share	102.43	102.43	
Nominal Value of Equity Shares	10.00	10.00	
46 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)		
Aesha Shah	Key Managerial Person (Company Secretary) - Up to 01/09/2019		
Charmi Shah	Key Managerial Person (Company Secretary)		
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, 2020 Rs.	Year ended March 31, 2019 Rs.
Yash Chem	Purchase of goods	341.32	1,200.72
Pritesh Yashwantbhai Shah	Director remuneration	18.00	18.95
Yashwant C. Shah	Director remuneration	16.28	13.00
Dimple Pritesh Shah	Director remuneration	7.00	-
Raj Shah	Director remuneration	-	0.63
Kiritkumar Shah	Key Managerial Person (Chief Financial Officer)	1.73	-
Aesha Shah	Key Managerial Person (Company Secretary)	0.91	-
Charmi Shah	Key Managerial Person (Company Secretary)	1.23	-
Jinal Dineshbhai Shah	Director's Sitting Fees	0.45	-
Angee Shah	Director's Sitting Fees	0.13	0.38
Vrusha Patel	Director's Sitting Fees	0.60	0.20
Pritesh Shah HUF	Loan given		28.00
Balances outstanding at each			

YASH CHEMEX LIMITED

Notes to financial statement for the year ended March 31, 2020			
Name of party	Nature of Amount	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Y. C. Shah	Advance to Employees / (Employees Payables)	-	1.62
Pritesh Yashwantbhai Shah	Employees Payables	12.40	
Jinal Dineshbhai Shah	Director's Sitting Fees	0.15	
Angee Shah	Director's Sitting Fees	-	
Vrusha Patel	Director's Sitting Fees	0.30	
Kiritkumar Shah	Employees Payables	0.17	
Charmi Shah	Employees Payables	0.26	
Raj Shah	Employees Payables	-	1.15
Dimple Pritesh Shah	Other Payables	-	1.12
Yash Chem	Advance to Suppliers / (Trade	368.34	99.18
Note: Figures in bracket denotes credit balance.			
47 Impact of COVID 19 Pandemic:			
<p>The Group has assessed the probable impact of covid 19 pandemic. It has considered internal and external information available up to the date of approval of these financial results and has performed analysis based on current estimates in assessing the recoverability of its assets including trade receivables, inventories, other financial and non-financial assets for possible impact on these financial results. The Group has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, etc. On the basis of its present assessment and current indicators of future economic conditions, the Group expects to recover the carrying amounts of these assets and does not anticipate any material impact on these financial results. However, the assessment of Impact of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic condition.</p>			
48 Recent Indian Accounting Standards (Ind AS)			
<p>As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but which have not yet been adopted by the Group. Hence, the disclosure is not applicable.</p>			
49 Subsequent Events:			
<p>Subsequent to Balance Sheet Date, there are no events occurred which require disclosure or adjustments in the consolidated financial statements.</p>			
50 Previous Periods' / Years' figures have been re-grouped / Re-Classified where necessary to make it comparable with the current period.			
As per our Report of even date attached			
For, H S K & Co		For, Yash Chemex Limited	
Chartered Accountants FRN: 117014W		Pritesh Y. Shah Managing Director (DIN: 00239665)	Yashwantlal C. Shah Whole Time Director (DIN: 001002342)
CA Sudhir S. Shah Partner M. No. 115947 UDIN: 20115947AAAABQ6418		Kiritbhai H. Shah Chief Financial Officer	Charmi Shah Company Secretary
Place : Ahmedabad Date : 03/06/2020		Place: Ahmedabad Date : 03/06/2020	