

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.”

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 at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the 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 cscharm0112@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; cscharmi0112@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](tel: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 up to 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)	None	1

and Section 8 Companies)		
Chairmanships of Committees in other companies	None	None
Memberships of Committees in other companies	None	1
Relationships between directors inter-se	Father of Mr. Pritesh Y. Shah and Father in Law of Mrs. Dimple P. Shah	There is no relationship with other Directors on the Board.
Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person.	Terms and conditions of re-appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website, i.e., www.yashchemex.com	Terms and conditions of re-appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website, i.e., www.yashchemex.com

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

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

**Charmi Shah
Membership No: A61029**