

# CRESTCHEM LIMITED

Reg. office : 325, Indrad, Chhatral - Kadi, Dist. : Mehsana - 382715, Gujarat.

Phone : +91-02764-277844 Email : [info@crestchemlimited.in](mailto:info@crestchemlimited.in) [www.crestchemlimited.in](http://www.crestchemlimited.in)

CIN Number : L24100GJ1991PLC015530

Date : 07-09-2015

To,  
The General Manager,  
Department of Corporate Services,  
Bombay Stock Exchange Ltd.,  
Dalal Street,  
Mumbai- 400 001.

Dear Sir/Madam,

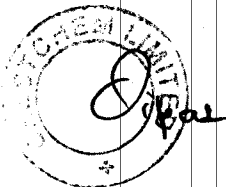
**Sub: Submission of Form A / (Form B - Not Applicable) with the Annual Report for the Financial Year ended March 2015**

**Kind attention: Ms. Netra Sahani and Mr. Jeevan Noronha**

Please find enclosed herewith the Form A / (Form B - Not Applicable) for Un-qualified / Matter of Emphasis in Audit Report.

Kindly please take on record !!

Thanking you,



Dipak Patel (M.D)

Crestchem Limited

Encl : Annual Report 2014-15

# CRESTCHEM LIMITED

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CIN Number : L24100GJ1991PLC015530

## FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company	CRESTCHEM LIMITED
2.	Annual Financial Statement for the year ended	31 <sup>st</sup> March 2015
3.	Type of Audit observation	<p>Matter of Emphasis :</p> <p>During the year, the company has sold / disposed off all fixed assets like Land, Factory Building and a significant portion of its Plant &amp; Machinery. This condition indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, Financial Statements of the Company have been prepared on a going concern basis.</p> <p>Our opinion is not modified in respect of these matters.</p>
4.	Frequency of observation	<p>The Auditor's have made the above the observation for the first time, only in this Annual Report for the Financial year 2014-2015.</p> <p>In Director's Report, at Point Number 17, Page Number 8, of the Annual Report for the Financial year 2014-2015 it has been reported by directors as follows :</p> <p>As a part of restructuring the</p>



		<p>company's operations and finances, the company in the process of disposing off old assets (land, building &amp; obsolete Plant and Machinery) and replacing it by purchasing and installing new assets (land, modern building &amp; Plant and Machinery); which will be more appropriately suitable for conducting the operation of the Company and will be better compliant to the modern good manufacturing practices (GMP) norms of the industry, to remain abreast and relevant with respect to the changing technological and business environment.</p>
5	<p>To be signed by-</p> <ul style="list-style-type: none"> <li>• CEO / Managing Director</li> <li>• CFO</li> <li>• Auditor of the Company</li> <li>• Audit Committee Chairman</li> </ul>	<p>For, CRESTOCHEM LIMITED</p>  <p>Dipak Patel (Managing Director / CFO)</p>

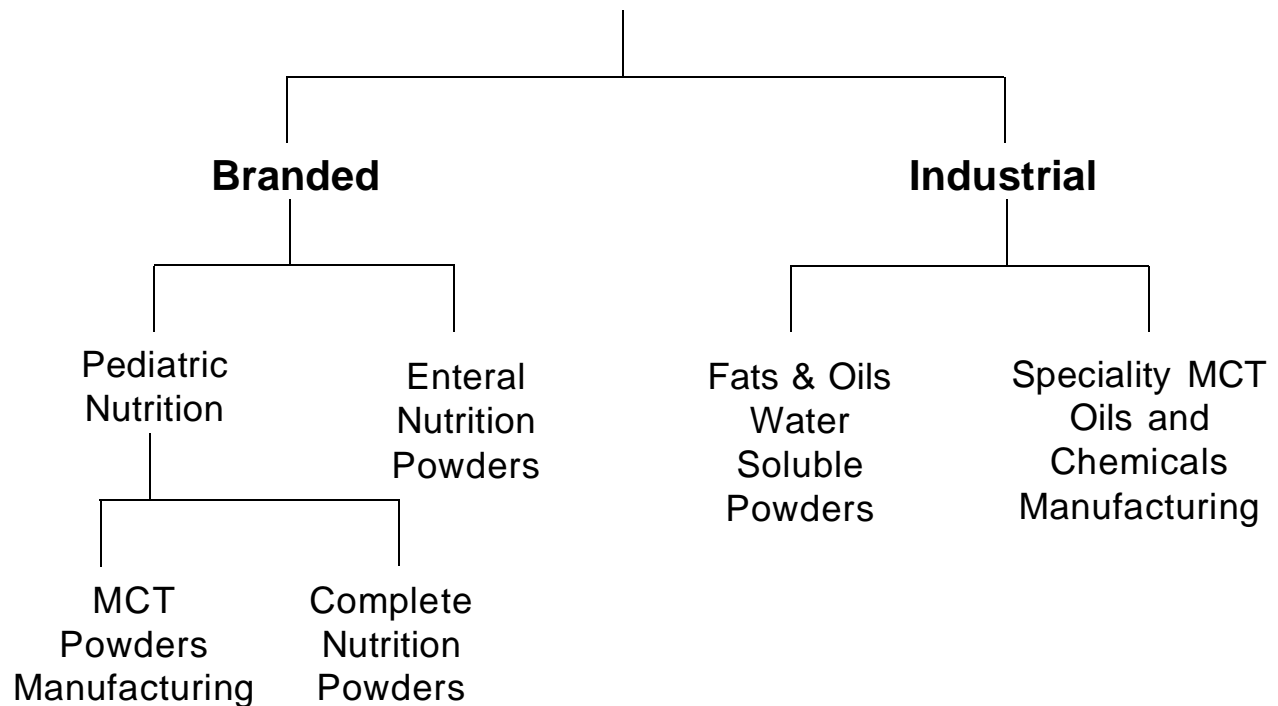
23<sup>rd</sup>  
ANNUAL REPORT  
2014-2015



 *crestchem Limited*



**OUTLINES OF THE EXISTING AND  
NEAR FUTURE PRODUCTS & PROJECTS ENVISAGED  
BY THE COMPANY**



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**CRESTCHEM LIMITED**  
**CIN - L24100GJ1991PLC015530**

**TWENTY THIRD ANNUAL REPORT**  
**2014-2015**

**BOARD OF DIRECTORS**

Shri Dipak N. Patel	- Managing Director (DIN – 02052080)
Shri Rajesh I. Mody	- Independent Director (DIN – 02054117)
Shri Narendrakumar H. Patel	- Independent Director (DIN–02054077)
Shri Neil Darshan Dalal	- Independent Director (DIN – 07072376)
Smt. Binaben Parasbhai Patel	- Independent Director (DIN – 07131005)

**BANKERS**

BANK OF INDIA  
BHARATIYA MAHILA BANK  
BHUJ MERCANTILE CO-OP. BANK

**AUDITORS**

**M/s. Talati & Talati**  
Chartered Accountants  
Ahmedabad.

**FACTORY AND REGISTERED OFFICE**

325, Village : Indrad,  
Chhatral - Kadi Road, Tal.: Kadi,  
Dist. : Mehsana,  
(NORTH GUJARAT) 382715.  
02764-277844  
investor@crestchemlimited.in  
[www.crestchemlimited.in](http://www.crestchemlimited.in).

**SHARE TRANSFER REGISTRAR**

**LINK INTIME INDIA PRIVATE LIMITED**  
303, 3<sup>rd</sup> Floor, Shoppers Plaza V,  
Opp. Municipal Market, Off. C. G. Road,  
Navrangpura, Ahmedabad –380009  
Telefax No. : 91-79 - 26465179  
Email: ahmedabad@linkintime.co.in

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## NOTICE

NOTICE is hereby given that the **TWENTY THIRD ANNUAL GENERAL MEETING** of the Members of **CRESTCHEM LIMITED** will be held as scheduled below:

Date	: 30 <sup>th</sup> September, 2015
Day	: Wednesday
Time	: 05.00 p.m.
Place	: Conference Hall, Sankalp Express, Thol Road, Kadi, Taluka: Kadi, District - Mehsana: 382 715 (NORTH GUJARAT)

to transact the following business :

**ORDINARY BUSINESS:**

- To receive, consider and adopt the Audited Accounts of the Company for the period (12 months) ended on 31<sup>st</sup> March 2015, and the Director's and Auditor's Reports thereon.
- To appoint a Director in place of Shri Narendrakumar Haribhai Patel (DIN – 02054077) who retires by rotation and being eligible offers himself for re-appointment.
- To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 Messrs Talati & Talati, Chartered Accountants, (Firm Registration No.- 110758W) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 24th Annual General Meeting of the Company, subject to ratification by the shareholders annually, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of out of pocket expenses incurred by them for the purpose of audit.”

**SPECIAL BUSINESS:**

- To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013. Mrs. Binaben Parasbhai Patel (DIN 07131005), a non executive director appointed as an additional director on 25-03-2015, who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, subject to the approval of members in the ensuing Annual General Meeting, to hold office for five consecutive years, with effect from 01<sup>st</sup> October, 2015 to 30th September, 2020.

- To approve Appointment and Continuation of employment of Shri Neil Darshan Dalal (DIN - 07072376) as a Whole-time Director designed as Executive Director and in this regards, to consider and if thought fit, to pass the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of sections 196, 197 and 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013 and the Companies

(Appointment and Remuneration of managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), approval of the Company be and is hereby accorded for the appointment and continuation of employment of Shri Neil Darshan Dalal (DIN - 07070376), as a Whole time Director & CFO, designated as Executive Director of the Company for the period of 3 years i.e. from 1st October, 2015 to 30th September, 2018.

By Order of the Board of Directors

Sd/-

Place : Indrad (Kadi)  
Date : 07<sup>th</sup> August, 2015

**Dipak N. Patel**  
Managing Director  
(DIN – 02052080)

**NOTES :**

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY MUST BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.

A person can act as Proxy on behalf of the members not exceeding fifty and holding the aggregate not more than 10 percent of the total share capital of the company carrying voting right. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint as a single person as proxy and such person shall not act as proxy for any other person or shareholder.

- Corporate members intending to send their authorised representative to attend the meeting are requested to send to the company a certified copy of the Board Resolution authorize their representative to attend and vote on their behalf at the meeting.
- The Register of members and Share transfer book of the Company will remain closed from 26th September, 2015 to 30th September, 2015 (Both days inclusive).
- Members seeking any further information are requested to write to the Company at least 10 days before the meeting so as to enable management to keep the information ready at the meeting.
- Members/Proxies are requested to bring with them duly filled attendance slip for attending the meeting.
- In case of joint holders attending the meeting only such joint holder who is higher in the order of names will be entitled to vote.
- Members are requested to intimate the Company's Registrar & Share Transfer Agent at **LINK INTIME INDIA PRIVATE LIMITED** 303, Shopper Plaza, V – Opp. Municipal Market, Off. C.G. Road, Navrangpura, Ahmedabad – 380 009. **Telefax No : 91-79-26465179 Email: Ahmedabad@linkintime.co.in** in case:
  - Shares are held in the same name or in the same order or names, but in more than one account to enable the Company to club them said accounts in to one account.
  - Notify immediately the change in their registered address, if any, to the Company.
- Members are requested to bring their copy of the Annual Report to the Annual General Meeting.

9. The relevant Explanatory Statement as required under Section 102 (1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
10. As the Company has adopted the practice of Green initiative, Members who have not registered their email addresses and PAN Number so far are requested to register their email address for receiving all communication including Annual Reports, Notices, Circulars, etc. from the Company electronically.
11. Voting through electronic means:  
The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions through e-voting services provided by Central Depository Services (India) Limited (CDSL) as per agreement with the Company.  
The detailed circular on procedure of E voting is being attached.
12. For the benefit of members who do not have access to e-voting facility can use the postal ballot form is enclosed along with Annual Report.

By Order of the Board of Directors  
Sd/-

Place : Indrad (Kadi)  
Date : 07<sup>th</sup> August, 2015

**Dipak N. Patel**  
Managing Director  
(DIN – 02052080)

**Crestchem Limited**  
Reg. office : 325, Indrad, Chhatral – Kadi,  
Dist. : Mehsana – 382715, Gujarat.  
Phone : +91-02764-277844 Email : [info@crestchemlimited.in](mailto:info@crestchemlimited.in)  
CIN Number : L24100GJ1991PLC015530

#### CIRCULAR ON PROCEDURE OF E-VOTING

The Instructions for members for voting electronically are as under:  
- EVSN – (150820029)

#### SECTION A - E-VOTING PROCESS -

- Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- Click on "Shareholders" tab.
- Now, select the "**CRESTCHEM LIMITED**" from the drop down menu and click on "SUBMIT"
- Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  · Members who have not updated their PAN with the Company/Depository Participant are requested to used the sequence number which is printed on Address Slip to be used in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.  · Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cutoff date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the CRESTCHEM LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and



click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The remote voting period begins September 27, 2015 (9.00 a.m.) and ends on September 29, 2015 (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 23rd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

#### SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS

- i.) The e-Voting period commences on September 27, 2015 (9.00 a.m.) and ends on September 29, 2015 (5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cutoff date (record date) of 23rd September, 2015 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii.) The voting rights of shareholders shall be in proportion to their shares of the Paid Up Equity Share Capital of the Company.
- iii.) CS Dhara Shah, Practicing Company Secretary (Membership No.: ACS 30237; COP No: 11187) has been appointed as the Scrutinizer to scrutinize the e-Voting process.

- iv.) The Chairman shall, at the AGM, at the end of discussion on the resolution on which voting is to be held, allow voting with the Assistants of Scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote Evoting facility.
- v.) The Scrutinizer shall immediately after the conclusion of voting at AGM first count the votes cast at the meeting, there after unblock the votes cast through E voting in the presence of at least two witness not in employment of the Company and make, not later than three days from the conclusion of the meeting a consolidated Scrutinizer's report of the Total votes cast in favor or against if any, to the chairman or person authorised by him in writing who shall counter sign the same. Thereafter, the chairman or person authorised by him in writing shall declare the result of voting forthwith. The result will be hosted and declared will be communicated to the relevant authorities and to the Stock Exchange etc.
- vi.) The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.
- vii.) For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
- viii.) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). They should also upload a scanned copy of the Board Resolution / Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the vote.
- ix.) You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- x.) In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By Order of the Board of Directors

Sd/-

Place : Indrad (Kadi)  
Date : 29<sup>th</sup> August, 2015

**Dipak N. Patel**  
Managing Director  
(DIN – 02052080)

**Particulars of the Directors seeking appointment / re – appointment at the ensuring Annual General Meeting pursuant to Clause 49 of the Listing Agreement.**

<b>Name, Age and Qualification of the Director</b>	<b>Date of Appointment</b>	<b>Expert in functional Area</b>	<b>Names of the Companies in which he holds Directorships and Memberships of committee of the Board.</b>
Shri Narendrakumar H. Patel	24 <sup>th</sup> August, 2004	He is having wide experience in the field of accounts, finance & marketing.	<b>Director in :</b> 1) CRESTCHEM LIMITED <b>Committee Membership : Audit Committee</b> 1) Crestchem Limited - Chairman <b>Remuneration Committee</b> 1) Crestchem Limited - Member <b>Shareholders' / Investors' Grievances Committee</b> 1) Crestchem Limited – Member
Shri Neil Darshan Dalal	30 <sup>th</sup> January, 2015	He is having wide experience in the field of Marketing Experience in the field of Nutraceutical, Pharmaceutical and Chemicals.	<b>Director in :</b> 1) CRESTCHEM LIMITED <b>Committee Membership : Shareholders' / Investors' Grievances Committee</b> 1) Crestchem Limited - Member
Smt. Binaben Parasbhai Patel	25 <sup>th</sup> March, 2015	She is having experience in Tuition and Coaching in Classes.	<b>Director in :</b> 1) CRESTCHEM LIMITED

**ANNEXURE TO THE NOTICE**

**Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 & also under Corporate Governance:**

**In respect of item No. 4**

Mrs. Binaben Parasbhai Patel, who is qualified Post Graduate (M. Com) and business experience in Tuition and Coaching in Classes was requested to join the Board as Independent women Director.

Mrs. Binaben Parasbhai Patel (DIN - 07131005), who was appointed by the Board of Directors as an additional director on the Board of Directors of the Company on 25/03/2015 and hold the office up to the date of this Annual General Meeting under the provisions of section 161 of the Companies Act, 2013 as Independent Director of the Company.

In the opinion of the Board, Mrs. Binaben Parasbhai Patel (DIN - 07131005), fulfills the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Director and She is independent of the management. In compliance with the provisions of Section 149 read with Schedule IV to the Act, the appointment of Mrs. Binaben Parasbhai Patel, as an Independent Director for the term of 5 years from 01st October, 2015 to 30th September, 2020, is now being placed before the Members for their approval.

The terms and conditions of their respective appointments shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

None of the Directors, KMP and / or their relatives, except Mrs. Binaben Parasbhai Patel is concerned or interested in the Resolution.

**In respect of item No.: 5**

Mr. Neil Darshan Dalal, who is a qualified pharmacist (B. Pharm) and holds master degrees in Business management (MBA), and has marketing Experience in the field of Nutraceutical, Pharmaceutical and Chemicals, who was appointed as an Additional Independent Director in the Board Meeting held on 30/01/2015, was requested to continue in the Board as Whole time Director as it is likely that companies business would increase and would require a qualified experienced young professional to take care of increased business. A brief profile of Mr. Dalal was placed before the Board for consideration.

After due deliberations,

Shri Neil Darshan Dalal was appointed as Whole time Director & CFO of the Company for a period of 3 years from 1st October, 2015 to 30th September, 2018 in the meeting of the Board of directors held on 07<sup>th</sup> August, 2015 has, subject to approval of the members appointed Shri Neil Darshan Dalal as Whole time Director & CFO for period of 3 years i.e. from 1st October, 2015 to 30th September, 2018. The remuneration committee, at its meeting held on 07th August, 2015, has recommended to the board, the continuation of the services Shri Neil Darshan Dalal, Director for a period of 3 years and has recommended the terms of his appointment and remuneration as whole time director, which was also approved by the board in its meeting held on 07th August, 2015.

**“RESOLVED FURTHER THAT** Mr. Neil Darshan Dalal, Whole time Director & CFO designated as a Executive Director be paid a monthly Salary of Rs. 30,000/- p.m. + perquisites etc. from 01<sup>st</sup> October, 2015.”

**“RESOLVED FURTHER** that in the absence of inadequacy of profits in any financial year during the remaining tenure of Mr. Neil Darshan Dalal as Whole time Director & CFO, he shall be paid the remuneration and perks except the commission/performance bonus as set out in the explanatory statement referred to above as the Remuneration within the prescribed limits set by Central Government.

**The major terms and conditions of his appointment are as under:**

**I. PERIOD:** For a period of 3 years from 1st October, 2015 to 30th September, 2018.

**II. REMUNERATION:**

**A. SALARY :**

The Director shall be entitled to salary of Rs. 30,000/- per month w.e.f. 1st October, 2015, with authority to the board of directors to increase the salary up to Rs. 1,00,000/- per month during his tenure as Director.

**B. PERQUISITES :**

1. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these either singly or put together are not taxable under the income-tax Act, 1961.

2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of leave at the end of the tenure.
4. Reimbursement of medical expenses as applicable to other senior executive of the Company.
5. Free use of Company's car for Company's business and free telephone facility at residence. If the WD is using his own car for company's business and / or his own telephone at residence, the expenditure for the same shall be reimbursed to him as per the actual Cash memos / fuel bills of the car and the actual telephone bills.
6. Leave travel concession for him and family once in a year in accordance with rules Specified by the Company.

**C. COMMISSION :**

Not exceeding 1% of the Company's Net Profit. As may be decided by the Board of Directors of the Company in its absolute discretion, for each financial Year, which is subject to the overall ceiling laid down in section 197 of the Companies Act, 2013.

**IV. DUTIES:**

Subject to the superintendence, direction and control of the Board of Directors of the Company, the Whole time Director & CFO shall be entrusted with substantial powers of management and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time.

**V. TERMINATION:**

The Whole time Director & CFO may be removed from his office for gross negligence, breach of duty or trust if a Special Resolution to that effect is passed by the Company in its General Meeting. The Whole time Director & CFO may resign from his office by giving 90 days notice to the Company.

**VI. COMPENSATION:**

In the event of termination of office of Whole time Director & CFO takes place before the expiration of tenure thereof. Whole time Director & CFO shall be entitled to receive compensation from the Company for loss of office to the extent and subject to limitation as provided under the Companies Act, 2013.

As per the provision under the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 consent of the Company is accorded by Special Resolution for holding office as Whole time Director & CFO of the Company on remuneration.

The terms and conditions mentioned in the above explanatory statement may be treated as abstract of the terms of proposed contract under Section 302 of the Companies Act, 2013

Mr. Neil Darshan Dalal is concerned or interested in the business since it relates to his appointment as Whole time Director & CFO of the Company.

None of the Directors, KMP and / or their relatives, except Mr. Neil Darshan Dalal is concerned or interested in the Resolution

By Order of the Board of Directors

Sd/-

Place : Indrad (Kadi)  
Date : 07<sup>th</sup> August, 2015

**Dipak N. Patel**  
Managing Director  
(DIN – 02052080)

## DIRECTOR'S REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the **TWENTY THIRD ANNUAL REPORT** together with the Audited Accounts of the Company for the period of 12 months ended on 31<sup>st</sup> March, 2015.

### 1. FINANCIAL RESULTS

	(` In Lacs)	
	As at 31-03-2015 (12 Months)	As at 31-03-2014 (12 Months)
Operating Profit / (Loss) (before interest and depreciation)	74.83	8.18
Less : Interest	1.65	2.42
Profit / (Loss) before depreciation	73.18	5.76
Less : Depreciation	4.88	8.35
Profit / (Loss) before Tax	68.3	(2.59)
Less : Current Tax.	7.15	0.00
(Excess)/ Short Provision for earlier year	0.00	(0.007)
Profit/(Loss) after Tax	61.15	(2.59)
Amount of Profit and Loss A/c brought forward	(259.25)	(256.66)
Amount available for appropriations carried to Balance Sheet	(198.1)	(259.25)

### 2. TRANSFER TO RESERVES:

The Company has not transferred any sum to the General Reserves during the period under review.

### 3. DIVIDEND

Your directors regret their inability to recommend any dividend on the equity shares during the period under review.

### 4. MATERIAL CHANGES AND COMMITMENTS:

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

### 5. OPERATIONS

The Operations remained sub-optimal due to financial constraints and the time which was required to be devoted in technically perfecting the products / formulations, in the potential nutraceutical – Enteral and Pediatric nutrition field. New products which will be introduced in the subsequent years in branded retail packages have been technically perfected, whereby there will be better profitability in subsequent years. The Company is now ready with one of the branded product for which the trademark final registration has been approved and granted to the Company by the Trademark Authority of India.

### 6. DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Narendrakumar H. Patel a Director of the Company, retires by rotation and being eligible offers himself for re-appointment.

The Board of Directors has appointed Smt. Binaben Paraskumar Patel as an Additional director w.e.f 25-03-2015. She will hold office up to the ensuing AGM, of the Company and being eligible, offers herself for re-appointment. Notice under section 160 of the Act, has been received by the company from a Member, signifying his intention to propose the candidature of Smt. Binaben Parasbhai Patel as an independent Director of the Company.

The Board of Directors has appointed Shree Neil Darshan Dalal as an Additional director w.e.f 30-01-2015. He will hold office up to the ensuing AGM, of the Company and being eligible, offers himself for re-appointment. Notice under section 160 of the Act, has been received by the company from a Member, signifying his intention to propose the candidature of Shree Neil Darshan Dalal as an independent Director of the Company.

### 7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under the Listing Agreement with the Stock Exchanges is enclosed as Annexure A.

### 8. SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of the Act, The Secretarial Audit report for the financial year ended 31<sup>st</sup> March, 2015 given by Ms. Dhara Shah, Practicing Company Secretary is annexed as Annexure B to this report.

### 9. NUMBER OF BOARD MEETINGS

During the year the Board of Directors met seven times. The details of the Board meetings are provided in the Corporate Governance Report.

### 10. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (b) Appropriate accounting policies have been selected and applied so as to give a true and fair view of the state of affairs of the Company as at March, 31<sup>st</sup> 2015 and of the profit of the Company for that period.
- (c) Proper and sufficient care has been taken 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 annual accounts have been prepared on a going concern basis.
- (e) The Directors have devised proper systems to ensure compliances with the provisions of applicable laws and such systems are adequate and operating effectively.

### 11. DECLARATION BY INDEPENDENT DIRECTORS

The Following Directors are independent in terms of section 149(6) of the Act and clause 49 of the listing agreement:

- 1) Shri Rajesh I. Mody
- 2) Shri Narendrakumar H. Patel
- 3) Shri Neil Darshan Dalal
- 4) Smt. Binaben Parasbhai Patel

The Company has received requisite declarations/ confirmations from all the above Directors confirming their independence.

### 12. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Statement containing Particulars of Employees pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. However, as per the provisions of section 134 and 136 of the

Companies Act, 2013, the Report and financial statement are being sent to the members and others entitled thereto, excluding the statements containing Particulars of Employees, which is available for inspection by the members at the Registered office of the Company during business hours on all working days (except Saturdays), up to the date of ensuing Annual General Meeting. Any member interested in obtaining a copy of such statement may write to the Company at the registered office of the Company.

### 13. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to section 135 of the Companies Act, 2013, which is not applicable to the company for the period under review, hence, no committee in this regard has been constituted.

### 14. EXTRACT OF THE ANNUAL RETURN

Extract of the Annual Return for the Financial Year ended on 31<sup>st</sup> March, 2015 as required by Section 92(3) of the Act is annexed as Annexure C to this report.

### 15. RELATED PARTY TRANSACTIONS

All related party transactions that were entered in to during the year under report were on arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company during the year.

Details of related party transactions entered into by the Company during the financial year 2014-2015 are provided in Note 23 to the Financial Statements.

### 16. DEPOSITS

No Public deposits were accepted or matured during the period under review.

### 17. FINANCE

The accumulated losses of the company are in excess of 50% of the net worth, as on 31<sup>st</sup> March, 2015. The company is not a sick industrial undertaking within the clause (O) of sub clause (i) of section 3 of sick industrial companies (Special Provision) Act, 1985. The company has no outstanding term loans or working capital loans or any kind of loans from banks or financial institutions. There are no outstanding interest payments on above.

As a part of restructuring the company's operations and finances, the company in the process of disposing off old assets (land, building & obsolete Plant and Machinery) and replacing it by purchasing and installing new assets (land, modern building & Plant and Machinery); which will be more appropriately suitable for conducting the operation of the Company and will be better compliant to the modern good manufacturing practices (GMP) norms of the industry, to remain abreast and relevant with respect to the changing technological and business environment.

The company has not incurred any cash losses during the year 2012-2013, 2013-14 & 2014- 2015.

### 18. AUDITORS

M/s. Talati & Talati, Chartered Accountants, Ahmedabad, the auditors of the Company retire at the conclusion of the ensuing Annual General Meeting. They are eligible for re-appointment and have furnished certificate to the effect that their appointment, if made, will be in accordance with the limits specified in Section 139 and 141 of the Companies Act, 2013. Your Directors recommend their re-appointment.

In the opinion of directors, the observations made in the Auditor's Report are self Explanatory and the notes to the accounts are

self explanatory and adequately explain the matters, which are dealt with by the auditors.

### 19. COST AUDIT

The Central Government of India has not prescribed the maintenance of Cost Accounting Records under sub Section (1) of Section 148 of the Companies Act, 2013 and hence this clause is not applicable to the company.

### 20. INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

### 21. INFORMATION REGARDING CONSERVATION OF ENERGY ETC.

Information required u/s. 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, form part of this report. However, as per the provisions of section 134, the reports and accounts are being sent to all shareholders of the Company excluding the information relating to conservation of energy, foreign exchange earnings and outgo, and the statement of particulars of employees. Any shareholder interested in obtaining such particulars may write to the Director / Company Secretary at the Registered Office of the Company.

### 22. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report & practices followed by the Company are indicated separately in the Annexure D forming part of this report. A certificate from the Practicing Company Secretary of the Company, regarding the conditions of corporate governance as stipulated under clause 49 of the listing agreement is annexed to this report.

### 23. WHISTLE BLOWER POLICY

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the listing agreement, includes an Ethics & Compliance Task Force comprising senior executives of the Company, is in place with the Company.

### 24. INDUSTRIAL RELATIONS, SAFETY AND ENVIRONMEN

During the year under review, the industrial relations remained harmonious and cordial.

### 25. FORMAL ANNUAL EVALUATION & POLICY RELATING TO REMUNERATION FOR THE DIRECTORS, KEY MANGIERIAL PERSONNEL AND OTHER EMPLOYEES

Nomination and remuneration committee has laid down the standard procedure and method for evaluation of performance of each directors, key managerial personnel and members of the committees.

Policy for Selection of Directors and determining Directors' independence

#### 1. Introduction

- 1.1 CRESTCHEM LIMITED believes that an enlightened and combination of youth with experience Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, CRESTCHEM LIMITED ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

- 1.2 CRESTCHEM LIMITED recognizes the importance of Independent Directors in achieving the effectiveness of the Board. CRESTCHEM LIMITED aims to have an optimum combination of Executive, Non-Executive and Independent Directors.
2. Scope and Exclusion:
- 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.
3. Terms and References:
- In this Policy, the following terms shall have the following meanings:
- 3.1 "Director" means a director appointed to the Board of a company.
- 3.2 "Nomination and Remuneration Committee" means the committee constituted by CRESTCHEM LIMITED Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement, whenever applicable.
- 3.3 "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement, whenever applicable.
4. Policy:
- 4.1 Qualifications and criteria
- 4.1.1 The Nomination and Remuneration Committee (NRC), and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's global operations.
- 4.1.2 In evaluating the suitability of individual Board members, the NRC may take into account factors, such as:
- General understanding of the Company's business dynamics, global business and social perspective; Educational and professional background Standing in the profession;
  - Personal and professional ethics, integrity and values;
  - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 4.1.3 The proposed appointee shall also fulfill the following requirements:
- Shall possess a Director Identification Number;
  - Shall not be disqualified under the Companies Act, 2013;
  - Shall give his written consent to act as a Director;
  - Shall endeavor to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
  - Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
  - Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.
- 4.1.4 The NRC shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.
- 4.2 Criteria of Independence
- 4.2.1 The NRC shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.
- 4.2.2 The criteria for appointment/re-appointment of independence is as laid down in Companies Act, 2013 and Clause 49 of the Equity Listing Agreement, whenever applicable.
- 4.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.
- 4.3 Other directorships / committee memberships
- 4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NRC shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.
- 4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.
- 4.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.
- For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies

under Section 8 of the Companies Act, 2013 shall be excluded.

Remuneration Policy for Directors, Key Managerial Personnel and other employees

1. Introduction
  - 1.1 CRESTCHEM LIMITED recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:
    - 1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
    - 1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
    - 1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
2. Scope and Exclusion:
  - 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.
3. Terms and References:
 

In this Policy, the following terms shall have the following meanings:

  - 3.1 "Director" means a director appointed to the Board of the Company.
  - 3.2 "Key Managerial Personnel" means
    - (i) the Chief Executive Officer or the managing director or the manager;
    - (ii) the company secretary;
    - (iii) the whole-time director;
    - (iv) the Chief Financial Officer; and
    - (v) such other officer as may be prescribed under the Companies Act, 2013
  - 3.3 "Nomination and Remuneration Committee" means the committee constituted by CRESTCHEM LIMITED Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and applicable clause of the Equity Listing Agreement.
4. Policy:
  - 4.1 Remuneration to Executive Directors and Key Managerial Personnel
    - 4.1.1 The Board, on the recommendation of the Nomination and Remuneration Committee (NRC), shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the NRC, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retrial benefits
- (vi) Annual Performance Bonus

4.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the NRC and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

4.2 Remuneration to Non-Executive Directors

4.2.1 The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

4.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof.

4.3 Remuneration to other employees

4.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

## 26. ACKNOWLEDGEMENT

The Directors extend their sincere thanks to the Bankers, Central and State Government Authorities, Customers, Shareholders and all other who have been associated with the Company, for their co-operation, continued support and for the confidence reposed in the management of the Company.

## 27. GENERAL INFORMATION

AGM held during the financial year: 30TH SEPTEMBER, 2014.

For and on behalf of the Board

Sd/-

**Dipak N. Patel**

Chairman / Managing Director  
(DIN – 02052080)

Place : Indrad (Kadi)  
Date : 7<sup>th</sup> August, 2015

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## ANNEXURE A

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### **Industry Structure and Development:**

Your Company is engaged in the field of Processing / Job working / Manufacturing, of specialty chemical ingredients, in dry powder forms, finding applications as a nutritious (or as a edible additive) raw material, in dry re-constitutable food and pharmaceutical recipes. Commercially, at times known as the nutraceutical Industry products or as Enteral Nutritional Industry raw materials, Health Food Industry raw material etc.

#### **Opportunities, Threats, Risk and Concerns:**

This is a developing field, emerging out of the fusion of certain aspects of three industries, namely The Chemical – The Food – The Pharmaceutical Industry, with an opportunity of growth. But currently the cost of manufacturing and marketing is high, as volume of business is low, since the concept has yet to catch-up In India, as compared to certain countries abroad, which is a kind of threat to the viability, at least for the time being. The risk is that the “off-the shelf ready to use packaged products” which are costly and targeted to the modern life, depends on how fast the purchasing power of Indian Mass Public improves.

#### **Financial Performance With Respect To Operational Performance:**

The Operations remained sub-optimal due to financial constraints and the time which was required to be devoted in technically perfecting the products / formulations, in the potential nutraceutical – Enteral and Pediatric nutrition field. New products which will be introduce in the subsequent years in branded retail packages have been technically perfected and will add to our product lines, whereby there will be better profitability in subsequent years.

#### **Internal Control Systems and their adequacy:**

Your Company has adequate internal controls for its business across departments to ensure efficiency of operations, compliances with internal policies and applicable laws and regulations, protection of resources and assets and accurate reporting of financial transactions.

The internal control system is supplemented by extensive internal checking system, regular reviews by management and standard policies and guidelines to ensure the reliability of financial and all other records.

#### **Human Resource / Industrial Relations:**

Your Company believes that it is the employee's skills and capabilities which will provide the necessary cutting edge to face challenges and market competition. Your Company re-emphasizing philosophy that employee well-being is extremely important, welfare activities have been given a boost. Your Company strives to maintain a professional work environment where every employee feels satisfied and appreciated.

#### **Business Outlook:**

The growth of our Companies business depends upon several factors as discussed above. However, management visualizes that, shortly time will come in which we will be able to introduce new formulations and the same will, get properly accepted in the market.

#### **Cautionary Statement:**

Certain statements in this report may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local, political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements.

The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



## ANNEXURE – B

## Form No. MR-3

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31-03-2015

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

To,  
The Members,  
CRESTCHEM LIMITED  
CIN : L24100GJ1991PLC015530

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Crestchem Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company'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 March 31, 2015, 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 Crestchem Limited ("the Company") for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; as amended from time to time;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not applicable to the company during the audit period).
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.

To the best of my understanding I am of the view that during the period under review the Company has complied with the provision of the Act, Rules, Regulations and Guidelines Standard etc. mentioned above.

I further report that:

Having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable to the type of business the Company is engaged in to:

The Company manufactures & Sells Chemical products, which are finding use as "Raw Materials" in Nutrition field and as such it is not subjected to any specific licensing requirements. However, The Company has complied with relevant provisions and procedures and has obtained manufacturing licence "Under the FSSAI Act", for the additional new food products that the Company desires to introduce in the market shortly in subsequent years.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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.

I further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that:

In our opinion, since the current volume of business of the Company was not large, hence, Mr. Dipak Narendraprasad Patel, Managing Director holds the charge of CFO as well; however, in compliance to section 2013 of the Companies Act, 2013, the company has now appointed Mr. Neil Darshan Dalal, as CFO designated as Executive Director W.e.f 01<sup>st</sup> October, 2015.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

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

Dhara Shah & Associates  
Dhara Shah  
Practicing Company Secretary  
Membership Number : A30237  
Certificate of Practice No.:11187

Place : Ahmedabad

Date : 07-08-2015

Annexure to the Secretarial Audit Report of Crestchem Limited for financial year ended March 31, 2015.

To,  
The Member,  
CRESTCHEM LIMITED  
CIN : L24100GJ1991PLC015530

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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Wherever required, I have obtained the management representation about the compliances of laws, rules, regulations and happening of events etc.
4. The Compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Dhara Shah & Associates  
Dhara Shah  
Practicing Company Secretary  
Membership Number : A30237  
Certificate of Practice No.:11187

Place : Ahmedabad

Date : 07-08-2015

**ANNEXURE C**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L24100GJ1991PLC015530
2.	Registration Date	26/04/1991
3.	Name of the Company	<b>CRESTCHEM LIMITED</b>
4.	Category/Sub-category of the Company	Public Company Limited by Shares
5.	Address of the Registered office & contact details	325, Village Indrad Tal- Kadi, Mehsana - 382715, North Gujarat. Ph. 02764-277844 Email : info@crestchemlimited.in
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PRIVATE LIMITED 303, Shopper Plaza,V – Opp. Municipal Market, Off. C.G. Road, Navrangpura, Ahmedabad – 380 009. Telefax No : 91-79-26465179 Email:Ahmedabad@linkintime.co.in

**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)

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Sodium Caseinate-casein	15202	77%
2	MCT FAT Powder-oil	24293	21%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1.	-	-	-	-	-
2.	-	-	-	-	-
3.	-	-	-	-	-
4.	-	-	-	-	-

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	6000	747100	753100	25.10	8800	754700	763500	25.45	0.35
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	5000	5000	0.17	-	5000	5000	0.17	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A1)</b>	<b>6000</b>	<b>752100</b>	<b>758100</b>	<b>25.27</b>	<b>8800</b>	<b>759700</b>	<b>768500</b>	<b>25.62</b>	<b>0.35</b>

<b>(2) Foreign</b>									
NRIs-Individuals	-	74300	74300	2.48	-	74300	74300	2.48	0.00
Other-Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other....	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A2)</b>	-	74300	74300	2.48	-	74300	74300	2.48	0.00
<b>Total shareholding of Promoter(A1)+ (A2)</b>	<b>6000</b>	<b>826400</b>	<b>832400</b>	<b>27.75</b>	<b>8800</b>	<b>834000</b>	<b>842800</b>	<b>28.1</b>	<b>0.35</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	3900	3900	0.13	-	3900	3900	0.13	0.00
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)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	3900	3900	0.13	-	3900	3900	0.13	0.00
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	2200	10000	12200	0.41	3320	10000	13320	0.44	0.03
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	44400	2107100	2151500	71.72	87180	2052800	2139980	71.33	0.38
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians									
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	46600	2161500	2163700	72.13	90500	2149980	2153300	71.77	0.41
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>46600</b>	<b>2165400</b>	<b>2167600</b>	<b>72.25</b>	<b>90500</b>	<b>2153880</b>	<b>2157200</b>	<b>71.9</b>	<b>0.41</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>52600</b>	<b>2991800</b>	<b>3000000</b>	<b>100.00</b>	<b>99300</b>	<b>2987880</b>	<b>3000000</b>	<b>100.0</b>	<b>0.76</b>



B) Shareholding of Promoter-

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 Share of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Share of the company	% of Shares Pledged/encumbered to total shares	
1	Narendraprasad C. Patel	303900	10.13	-	303900	10.13	-	-
2	Dipak N. Patel	222700	7.42	-	233100	7.77	-	-
3	Arunprasad P. Patel	10100	0.34	-	10100	0.34	-	-
4	Dineshchandra B. patel	5100	0.17	-	5100	0.17	-	-
5	Kusum N. Patel	16700	0.55	-	16700	0.55	-	-
6	Sonali N. Patel	14600	0.48	-	14600	0.48	-	-
7	Jatan L. Patel	28900	0.96	-	28900	0.96	-	-
8	Parul D. Patel	50600	1.69	-	50600	1.69	-	-
9	Nirmit D. Patel	5500	0.18	-	5500	0.18	-	-
10	Sushila L. Patel	500	0.017	-	500	0.017	-	-
11	Kusum Bhagubhai	35000	1.17	-	35000	1.17	-	-
12	Pranay A. Patel	5000	0.17	-	5000	0.17	-	-
13	Rahul A. Patel	5000	0.17	-	5000	0.17	-	-
14	Leenaben A. Patel	8000	0.27	-	8000	0.27	-	-
15	Rakesh A. Parikh	7300	0.24	-	7300	0.24	-	-
16	Kokilaben A. Parikh	3700	0.12	-	3700	0.12	-	-
17	Kamlesh J. Lashkari	5000	0.17	-	5000	0.17	-	-
18	Malay Patel	3000	0.1	-	3000	0.1	-	-
19	Mahendra G. Patel	2500	0.083	-	2500	0.083	-	-
20	Padmini N. Patel	2500	0.083	-	2500	0.083	-	-
21	Tillotama Bhagubhai	2500	0.083	-	2500	0.083	-	-
22	Nupur D. Shah	15000	0.5	-	15000	0.5	-	-
23	A.P. Sheth Investment Pvt. Ltd.	5000	0.17	-	5000	0.17	-	-
24	Suryakant B. Patel	10000	0.33	-	10000	0.33	-	-
25	Deepesh S. Patel	10000	0.33	-	10000	0.33	-	-
26	Arjun J. Patel	3000	0.1	-	3000	0.1	-	-
27	Dasharath R. Patel	28800	0.96	-	28800	0.96	-	-
28	Kanubhai M. Patel	12500	0.42	-	12500	0.42	-	-
29	Yagnesh Patel	10000	0.33	-	10000	0.33	-	-

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

Sr. No.	Particulars	Shareholding at the beginning of the year				Reson	Cumulative Shareholding during the year	
		No. of Shares at the beginning/end of the year	% of total Shares of the company	Date	Increasing / Decreasing in shareholding		No. of Shares	% of total Shares of the company
	Dipak Narendraprasad Patel	222700	7.42	01-04-2014				
				25-06-2014	500	Purchase	223200	7.44
				27-06-2014	250	Purchase	223450	7.45
				04-07-2014	500	Purchase	223950	7.46
				07-07-2015	500	Purchase	224450	7.48
				08-07-2015	500	Purchase	224950	7.49
				22-01-2015	100	Purchase – Off Market	225050	7.50
				23-01-2015	349	Purchase	225399	7.51
				28-01-2015	100	Purchase	225499	7.52
				02-02-2015	100	Purchase	225599	7.52
				05-02-2015	200	Purchase	225799	7.53

				06-02-2015	100	Purchase	225899	7.53
				12-02-2015	100	Purchase	225999	7.53
				13-02-2015	600	Purchase	226599	7.55
				24-02-2015	100	Purchase	226699	7.56
				27-02-2015	300	Purchase	226999	7.57
				02-03-2015	100	Purchase	227099	7.57
				04-03-2015	80	Purchase	227179	7.57
				09-03-2015	586	Purchase	227765	7.59
				13-03-2015	1000	Purchase	228765	7.62
				18-03-2015	200	Purchase	228965	7.63
				20-03-2015	5500	Purchase – Off Market	234465	7.81
				25-03-2015	100	Purchase	234565	7.82
				27-03-2015	200	Purchase	234765	7.83

Note : Some 1665 shares which have been purchased by promoters (Dipak Narendraprasad Patel Account and duly declared in disclosures under Regulation 29(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011), However, the same are in under the process of transfer, have not yet been transferred in the name of Dipak Narendraprasad Patel)

**D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during theyear	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>PARMANAND SHAKARABHAI PATEL</b>				
Opening Balance	5100	0.17	5100	0.17
Transaction (Purchase / Sale) on 19-12-2014	100	0.0033	5200	0.1733
Closing Balance		5200		0.1733
<b>MADHUSUDAN MEHTA</b>	5100	0.1700	5100	0.1700
<b>PARVATIBEN ISHWARLAL PATEL</b>	5000	0.1667	5000	0.1667
<b>KAMLESH J LASKARI</b>	5000	0.1667	5000	0.1667
<b>KIRTI S AMIN</b>	4000	0.1333	4000	0.1333
<b>BANK OF INDIA A/C. BOI MUTUAL FUND</b>	3800	0.1267	3800	0.1267
<b>PRAFULLA PATEL</b>	3100	0.1033	3100	0.1033
<b>SARMAN MANDA GADHIA</b>	3000	0.1000	3000	0.1000
<b>SANJIV K. KOTHARI</b>	3000	0.1000	3000	0.1000
<b>PRATIKKUMAR J. SHAH</b>	3000	0.1000	3000	0.1000
<b>BANSIDHAR LADHURAM</b>	3000	0.1000	3000	0.1000
<b>ANJANA KAMLESH PARIKH</b>	3000	0.1000	3000	0.1000

**E) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Particulars	Shareholding at the beginning of the year				Reson	Cumulative Shareholding during the year	
		No. of Shares at the beginning/ end of the year	% of total Shares of the company	Date	Increasing / Decreasing in shareholding		No. of Shares	% of total Shares of the company
1.	Dipak Narendraprasad Patel	222700	7.42	01-04-2014				
				25-06-2014	500	Purchase	223200	7.44
				27-06-2014	250	Purchase	223450	7.45
				04-07-2014	500	Purchase	223950	7.46
				07-07-2015	500	Purchase	224450	7.48
				08-07-2015	500	Purchase	224950	7.49
				22-01-2015	100	Purchase – Off Market	225050	7.50
				23-01-2015	349	Purchase	225399	7.51



				28-01-2015	100	Purchase	225499	7.52
				02-02-2015	100	Purchase	225599	7.52
				05-02-2015	200	Purchase	225799	7.53
				06-02-2015	100	Purchase	225899	7.53
				12-02-2015	100	Purchase	225999	7.53
				13-02-2015	600	Purchase	226599	7.55
				24-02-2015	100	Purchase	226699	7.56
				27-02-2015	300	Purchase	226999	7.57
				02-03-2015	100	Purchase	227099	7.57
				04-03-2015	80	Purchase	227179	7.57
				09-03-2015	586	Purchase	227765	7.59
				13-03-2015	1000	Purchase	228765	7.62
				18-03-2015	200	Purchase	228965	7.63
				20-03-2015	5500	Purchase –	234465	7.81
						Off Market		
				25-03-2015	100	Purchase	234565	7.82
				27-03-2015	200	Purchase	234765	7.83

F) **INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	-	-	-	-
Change in Indebtedness during the financial year				
# Addition	-	-	-	-
# Reduction	-	-	-	-
Net change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	-	-	-	-

XI. **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 Dipak Narendraprasad Patel	Total Amount
1	Gross salary	4,80,000	4,80,000
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,80,000	4,80,000
(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	-	-
	Total (A)	4,80,000	4,80,000
	<b>Ceiling as per the Act</b>		

**B. Remuneration to other directors**

Sr. no.	Particulars of Remuneration	Name of Directors				Total Amount
		Narendrakumar Haribhai Patel	Rajesh Ishwarlal Mody	Neil Darshan Dalal	Binaben Parasbhai Patel	
1	<b>Independent Directors</b>	-	-	-	-	-
	Fee for attending board committee meetings	1750	1750	1500	500	5500
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	1750	1750	1500	500	5500
2	<b>Other Non-Executive Directors</b>	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-	-
	<b>Total Managerial Remuneration</b>	1750	1750	1500	500	5500
	<b>Overall Ceiling as per the Act</b>	-	-	-	-	-

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	CS	CFO	
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

**XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF 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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					



## ANNEXURE - D CORPORATE GOVERNANCE

[Pursuant to clause 49 of the listing agreement with the Stock Exchange.]

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance envisages following of fair business and corporate practices, whereby ensuring better satisfaction of grievances, if any, of all its stakeholders including customers, shareholders and employees, guided by commitment towards efficiency and excellence in every aspect of its business, with due concern for social responsibility.

### 2. BOARD OF DIRECTORS:

(a) Composition of Board : The Board of directors of the Company consists of 5 directors out of which there is one Managing Director and 4 Non Executive directors, who are eminent personnel with wide range of skills and experience in business, finance and law. The Board comprises of 4 independent directors, out of four Independent Director 1 is women Independent Director. The Board normally meets once in a quarter, and additional meetings are held as and when required.

(b) Details of attendance of each director at the Board Meetings and the last Annual General Meeting (AGM), with particulars of their other directorship, and chairmanship / Memberships of board / committees :

	Directors	Category	Attendance Particulars		No. of other Directorships and other committee memberships / chairmanships held in other public Ltd. Companies.		
			Board Meeting	Last AGM	Directorships	Committee Memberships	Committee Chairmanship
1	Mr. Dipak Patel	Managing Director	7	Yes	-	-	-
2	Mr. Rajesh I. Mody	Non-executive Independent Director	7	Yes	-	-	-
3	Mr. Narendrakumar H. Patel	Non-executive Independent Director	7	Yes	-	-	-
4	Mr. H. L. Joshi	Non-executive Independent Director	1	Yes	-	-	-
5	Mr. Neil Darshan Dalal	Non-executive Independent Director	3	No			
6	Mrs. Binaben Parasbhai Patel	Non-executive Independent Director	1	No			

(c) No. of Board meeting held and dates on which held : Seven Board Meetings were held during the year ended March, 2015 viz. on 30-05-2014, 27-08-2014, 14-11-2014, 23-12-2014, 30-01-2015, 13-02-2015 and 25-03-2015 .

Mr. H. L. Joshi Resigned w.e.f 30-01-2015. Mr. Neil Darshan Dalal appointed w.e.f from 30-01-2015 and Mrs. Binaben Parasbhai Patel appointed w.e.f 25-03-2015.

### BOARD COMMITTEES

#### 3. AUDIT COMMITTEE:

The Audit Committee was constituted on 15-03-2003 consisting of three directors. The quorum is 2 members. The terms of the reference of the Audit committee include approving and implementing the audit procedures and techniques, reviewing the financial reporting system, internal control systems, ensuring compliance with the regulatory guidelines, and reviewing the risk management policies of the Company. The Audit committee met prior to the finalization and approval of accounts for the year ended on 31<sup>st</sup> March, 2015. The committee has full access to all accounting records of the company.

The present composition of the audit committee, meetings and attendance is as follows:

Name of the Members	Designation and Category	Profession	Attendance at the Audit Committee meeting held on			
			30 <sup>th</sup> May, 2014	27 <sup>th</sup> Aug, 2014	14 <sup>th</sup> Nov, 2014	13 <sup>th</sup> Feb, 2015
Mr. Narendrakumar H. Patel	Chairman of the committee and non-executive Independent Director	Graduate in Accounts (Commerce) and having experience of Sr. Accountancy and Finance, besides marketing experience.	Yes	Yes	Yes	Yes
Mr. Rajesh I. Mody	Member of the committee and non-executive Independent Director	Graduate in Science and experienced businessman	Yes	Yes	Yes	Yes
Mr. Dipak N. Patel	Member of the committee	Graduate in Science and MBA having Sr. Management experience.	Yes	Yes	Yes	Yes

The Audit Committee invites such of the executives and directors as it considers appropriate to be present at the meetings. The manager/ Accountant / Auditors etc are normally invited to these meetings. The minutes of Audit Committee meetings are noted by the Board of Directors at the Board Meeting.

#### 4. **REMUNERATION COMMITTEE : (NON-MANDATORY)**

The present composition of remuneration committee, its meetings and attendance is as follows:

Name of the Members	Designation and Category	Attendance at the Remuneration Committee meeting held on 25 <sup>th</sup> March, 2015
Mr. Rajesh I. Mody	Chairman of the Committee and Non-executive Independent Director	Yes
Mr. Narendrakumar H. Patel	Member and Non-executive Independent Director	Yes

One Remuneration Committee meeting was held during the year. The quorum was two members.

The Non Executive Directors are not entitled to remuneration, as on date, for attending committee meetings, except the sitting fees for attending board meetings. The broad terms of reference of remuneration committee are to review remuneration practices including those payable to directors/managing directors, subject to the approval of the board/shareholders.

#### 5. **SHAREHOLDERS' / INVESTORS' GRIEVANCES COMMITTEE:**

The Committee looks into redressal of shareholders / Investors grievance, if any, like transfer / transmission / demat of shares, loss of share certificate, non-receipt of Annual Report etc. The quorum was 2 members. The present composition of the committee, its meetings and attendance is as follows:

Name of the Members	Designation and Category	Attendance at the Shareholder's/ Investor's Grievances meeting held on			
		30 <sup>th</sup> May, 2014	27 <sup>th</sup> Aug, 2014	14 <sup>th</sup> Nov, 2014	13 <sup>th</sup> Feb, 2015
Mr. Narendrakumar H. Patel	Member of the committee and non-executive Independent Director	Yes	Yes	Yes	Yes
Mr. Rajesh I. Mody	Member of the committee and non-executive Independent Director	Yes	Yes	Yes	Yes
Mr. H. L. Joshi	Member of the committee and non-executive Independent Director	No	No	No	No
Mr. Neil Darshan Dalal	Member of the committee and non-executive Independent Director	No	No	No	Yes

No Complaints of significant nature were received during the period 12 months ended on 31<sup>st</sup> March, 2015 and necessary actions were taken. Mr. Dipak N. Patel, Managing Director of the Company who is also appointed as Compliance Officer of the Company.

#### 5. **INDEPENDENT DIRECTORS MEETING**

Schedule IV to the Act, inter alia, prescribed that the Independent directors of the Company shall hold atleast one meeting in a year, without attendance of the management. During the year one meeting of independent director was held on 31<sup>st</sup> March, 2015. Mr. Neil Darshan Dalal was unanimously elected as the chairman of the meeting of the independent directors. At the meetings, the independent directors also review the performance of the non-independent directors (including chairperson).

#### 6. **GENERAL BODY MEETINGS:**

Location, time and date where last three Annual General Meetings of the Company were held are given below:

Financial Year	Date	Time	Location of the Meeting	Any Special Resolution Passed
2011-2012 (12 Months Period)	28/09/2012	05.00 p.m.	<b>TWENTIETH AGM</b> at Regd. Office of the Company at : 325, INDRAD - 382721, Tal. : Kadi, Dist.: Mehsana, (North Gujarat)	No
2012-2013 (12 Months Period)	30/09/2013	05.00 p.m.	<b>TWENTYTH FIRST AGM</b> at Conference Hall, Mahisagar Snack Point, Thol Road, Tal. : Kadi, Dist.: Mehsana, (North Gujarat)	Yes
2013-2014 (12 Months Period)	30/09/2014	05.00 p.m.	<b>TWENTY SECOND AGM</b> at Conference Hall, Sankalp Express, Thol Road, Kadi, Taluka: Kadi, District - Mehsana: 382 715	Yes

#### 7. **MEANS OF COMMUNICATION:**

- The quarterly, half yearly and full year results are prepared. Audited – annual reports are sent to the shareholders.
- Pursuant to the requirement of Clause 47 (F) of the Listing Agreement, the company has also created email address for making investor's grievance directly i.e. investor@crestchemlimited.in
- The management discussion and analysis report forms part of Directors Report.
- Quarterly and annual results are published in Gujarati and English News papers.
- The data and information relating to the Company can be accessed from the following websites : [www.crestchemlimited.in](http://www.crestchemlimited.in).

**8. GENERAL SHAREHOLDER INFORMATION:****(i) Annual General Meeting**

Day, Date & Time : Wednesday, 30th September, 2015 at 5.00 p.m.  
 Venue : Conference Hall, Sankalp Express, Thol Road, Kadi, Taluka: Kadi, District - Mehsana: 382 715 (NORTH GUJARAT)

**(ii) Financial Calendar period : 01-04-2014 to 31-03-2015****(iii) Date of Book Closure : 26th September, 2015 to 30th September, 2015 (Both days inclusive)****(iv) Listing on Stock Exchange :****(a) The Stock Exchange Mumbai (BSE)**

All Annual listing fees to BSE have been paid up to the Financial Year 2014-2015. Bombay Stock Exchange (BSE) has granted permission to commence Trading of Shares of CRESTCHEM LIMITED with effect from 01st October, 2012, on BSE Platform and Trading has also commenced in due course thereafter.

**(b) The Delhi Stock Exchange Ltd (DSE)**

All Annual listing fees to DSE have been paid up to financial year 2012-2013. Under the Amnesty Scheme of DSE, the said stock exchange has revoked the suspension in the trading of securities of our company, to the benefit of our company. However, the DSE itself is yet not in operation. Hence, further fees are not paid during the year.

**(v) Stock Code / Symbol :**

Bombay Stock Exchange, (BSE) 526269

**(vi) ISIN No. INE 293 N 01016 was granted by CDSL.****(vii) Market Price Data :****BSE (BOMBAY STOCK EXCHANGE)**

Month	Highest (₹)	Lowest (₹)	BSE Sensex Highest	BSE Sensex Lowest	Number of shares traded
April, 2014	—	—	22,939.31	22,197.51	—
May, 2014	—	—	22,277.04	24,217.34	—
June, 2014	12.60	11.97	25,725.12	24,270.20	850
July, 2014	13.23	12.00	26,300.17	24,892.00	1750
August, 2014	—	—	26,674.38	25,232.82	—
September, 2014	—	—	27,354.99	26,220.49	—
October, 2014	—	—	27,894.32	25,910.77	—
November, 2014	—	—	28,822.37	27,739.56	—
December, 2014	13.33	12.00	28,809.64	26,469.42	1714
January, 2015	14.10	12.50	29,844.16	26,776.12	1499
February, 2015	13.00	9.90	29,560.32	28,044.49	4400
March, 2015	11.02	10.00	30,024.74	27,248.45	1766

**(viii) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments

**(ix) Registrar & Share transfer Agents :**

The Company has appointed a Registrar and Share Transfer Agent (RTA), to handle Physical and Dematerialized shares. For Share Transfer, Demat & any other Communications relating to Share Certificates, Change of address, Investor Grievances etc. to be sent to:

**LINK INTIME INDIA PRIVATE LIMITED**

303, 3<sup>rd</sup> Floor, Shopper Plaza V, Opp. Municipal Market, Off. C. G. Road,

Navrangpura, Ahmedabad –380009

Telefax No. : 91-79 - 26465179 Email: ahmedabad@linkintime.co.in

**(x) Share Transfer System :**

All the share related work is being undertaken by R & T Agent, LINK INTIME INDIA PRIVATE LIMITED. Ahmedabad whose address is given above. The Share Transfers are registered and returned within 15 days from the date of receipt if relevant document are complete in all respects/ The shareholders/ Investor' grievances are also taken up by our R & T Agent.

**(xi) Share-Distribution Schedule as on 31-03-2015:**

No. of Equity Shares	No. of Share holders	% of share holders	No. of Share held	% of share holding
1 - 5000	10968	95.2911	1563249	52.1083
5001 - 10000	327	2.8410	276300	9.2100
10001 - 20000	99	0.8601	158674	5.2891
20001 - 30000	64	0.5560	163400	5.4467
30001 - 40000	12	0.1043	44915	1.4972
40001 - 50000	9	0.0776	44500	1.4833
50001 - 100000	13	0.1129	109000	3.6333
100001 - 999999990	18	0.1564	639962	21.3321
<b>Total</b>	<b>11510</b>	<b>100</b>	<b>30000000</b>	<b>100</b>

**(xii) Shareholding Pattern as on 31<sup>st</sup> March, 2015:**

Category	No. of Shares	% of holding
Non-Resident Indians	26,200	0.87
Nationalized Banks	3900	0.13
Bodies Corporate	13,320	0.44
Directors	2,33,100	7.77
Relatives of Directors	5,30,400	17.68
Others	21,93,080	73.11
<b>TOTAL</b>	<b>30,00,000</b>	<b>100.00</b>

99, 300 shares are in Demat Mode and the rest are in Physical Mode.

**(xiii) Dematerialization of equity shares:**

The Company has got permission for dematerialization of shares on 24<sup>th</sup> September, 2012 and ISIN Number was allotted to the Company. The Dematerialization process started thereafter and 99,300 shares are in dematerialized form, as on date.

For Dematerialization of their shares the share holders are requested to contact the Depository Participants / R & T Agent whose address is mentioned above .

**(xiv) Plant Location :**

Survey No. : 325  
 Village : INDRAD  
 Taluka : Kadi  
 District : Mehsana – 382 715 (NORTH GUJARAT)  
 Phone : 02764 – 277844

**(xv) Address for Correspondence:**

Besides the address of R & T Agent mentioned above, If required, the Share Holders are requested to contact the following address :

Name of the Company : **CRESTCHEM LIMITED**  
 Survey No. : 325  
 Village : INDRAD  
 Taluka : Kadi  
 District : Mehsana – 382 715 (NORTH GUJARAT)  
 Phone : 02764 – 277844  
 Email : [info@crestchemlimited.in](mailto:info@crestchemlimited.in)  
 Website : [www.crestchemlimited.in](http://www.crestchemlimited.in).

**9. DISCLOSURES:**
**(A) Related party transactions**

There were no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or relatives and KMP etc. that may have potential conflict with interests of the Company at large. The related party transactions are duly disclosed in the Note 23 to the Financial Statements.

**(B) Disclosure of accounting treatment**

The Company has followed all applicable Accounting Standards while preparing the financial statements subject to notes thereon. No treatment different from the Accounting Standards, prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of Financial Statements.

**(C) Proceeds from public issues, right issues, preferential issues etc.**

During the year, the Company has not raised funds through public issues, right issues or preferential issue.

**(D) Management**

The Management Discussion and Analysis Report, published as a separate section of this report is prepared in accordance with the requirements laid out in Clause 49 of the Listing Agreement and forms part of the Annual Report. The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement. The risk management policies of the company are periodically reviewed by the Audit Committee of the Board of Directors of the company and by the Board. The risk management issues are mentioned in the Management Discussion and Analysis Report.

**(E) Disclosure of Directors seeking appointment / reappointment**

The details pertaining to Directors seeking appointment / reappointment are furnished as Annexure to Notice convening the Annual General Meeting.

**(F) Statutory Compliance**

Bombay Stock Exchange (BSE) has granted permission to commence Trading of Shares of CRESTCHEM LIMITED with effect from 01st October, 2012, on BSE Platform.

No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or other Statutory Authority, on any matter related to capital market.

**(G) Whistle Blower Policy and affirmation that personnel have been denied access to the audit committee.**

At present the Company has whistle-blower policy. However, no personnel have been denied access to the audit committee or the Managing Director of the Company.

**(I) CEO/CFO Certification**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges the Whole-time Director / Managing Director of the Company has certified to the Board, compliance with Clause 49 (V) regarding CEO/CFO certification only on an annual basis.

**(J) Auditor's/ Practicing Company Secretaries Report on Corporate Governance**

Certificate from the Statutory Auditors or Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance, as stipulated in clause 49 of the Listing Agreement of the Bombay Stock Exchange in India, forms part of this report.

**(H) None of the Shares of the Company are pledged or encumbered.****10. MANDATORY AND NON-MANDATORY REQUIREMENTS :****(a) Status of compliance to the mandatory requirements :**

The Company has adopted mandatory requirements of compliances on Corporate Governance. A certificate from Mr. Dipak N. Patel, the managing director of the company was placed before the board detailing the compliances done. The Auditor's/ Company Secretary Certificate regarding compliances of Corporate Governance by the company are annexed to this Corporate Governance report.

**(b) Status of compliance to the non-mandatory requirements :**

The Company, so far, has not adopted the non-mandatory suggestions of (1) sending six – monthly results information to each household of shareholders, (2) training of board members, (3) mechanism of evaluating the performance of non-executive board members. The company has however adopted the non-mandatory suggestion of having a Remuneration Committee.

**11. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL:**

A qualified practicing Company Secretary carried out quarterly secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirmed that the total issued / paid-up capital was in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**12. CEO/CFO CERTIFICATION :**

Managing Director (CEO) and Chief Finance Officer (CFO) Certification

We Dipak N. Patel, Managing Director and CFO of Crestchem Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the balance sheet as at 31<sup>st</sup> March 2015 and Profit & Loss account, and all its schedules and Notes on accounts, as well as the cash flow statement and the Director's Report for the year ended on that date.
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact or do not contain any statement that might be misleading;
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as on, and for the year presented in this report and are in compliance with the existing accounting standards and /or applicable laws and regulations;
4. To the best of our knowledge and belief, no transaction entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have;
  - a. evaluated the effectiveness of the Company's disclosure, controls and procedures pertaining to financial reporting;
  - b. disclosed in this report any change in the Company's internal controls over financial reporting that occurred during the Company's most recent accounting year that may have materially affected, or is reasonably likely to affect, the Company's internal control pertaining to financial reporting.
6. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors;

- a. Deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors, any material weakness in internal control over financial reporting including any corrective actions with regard to such deficiencies, if any;
  - b. Significant changes in internal controls during the year covered by this report, if any;
  - c. All significant changes in accounting policies during the year, if any and that the same have been disclosed in the notes to the financial statements;
  - d. No instances of significant fraud of which we are aware, involving management or other employees who have significant role in the Company's internal control system;
7. We further declare that all the Board Members and senior management personnel have affirmed compliance with the code of conduct during the year.

Place : Indrad (Kadi)  
Date : 07<sup>th</sup> August,2015

**Dipak N. Patel (DIN – 02052080)**  
Managing Director & CFO

**13. COMPLIANCE CERTIFICATE FROM THE PRACTISING COMPANY SECRETARY OF THE COMPANY:**

Certificate from Miss. Dhara S. Shah, Company Secretary, confirming compliance with the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement, is annexed to this report forming part of the Annual Report.

**14. DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT :**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management personnel have confirmed compliance with the code of conduct for the financial year ended 31<sup>st</sup> March, 2015.

**For and on behalf of the Board**

Sd/-

Place : Indrad (Kadi)  
Date : 07<sup>th</sup> August,2015

**Dipak N. Patel**  
Managing Director  
(DIN – 02052080)

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## CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members  
CRESTCHEM LIMITED

We have examined the compliance of conditions of 'Corporate Governance' by CRESTCHEM LIMITED for the year ended March, 31, 2015 as stipulated in clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. 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, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances was pending for a period of one month against the Company as per the records maintained by the Company.

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

Place : Ahmedabad  
Date : 07<sup>th</sup> August,2015

For **DHARA SHAH & ASSOCIATES**  
Company Secretary  
**(DHARA S. SHAH)**  
Proprietor  
C. P. No. : 11187

## INDEPENDENT AUDITORS' REPORT

**To the Members of**  
CRESTCHEM LIMITED  
Indrad(Kadi)

### Report on the Financial Statements

We have audited the accompanying financial statements of **Crestchem Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2015, the Statement of profit and loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profits and its cash flows for the year ended on that date.

### Emphasis of Matters:

During the year, the company has sold / disposed off all fixed assets like Land, Factory Building and a significant portion of its Plant & Machinery. This condition indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, Financial Statements of the Company have been prepared on a going concern basis.

Our opinion is not modified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 and the Cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (f) 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) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
    - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For TALATI & TALATI**  
Chartered Accountants  
(Firm Reg. No 110758W)  
**(UMESH H.TALATI)**  
PARTNER  
M.NO. 34834

AHMEDABAD  
DATE: 30<sup>th</sup> May, 2015

**ANNEXURE TO INDEPENDENT AUDITOR'S REPORT :****(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.)**

- i) a) The company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets on the basis of available information.
- b) As explained to us, a major portion of the fixed assets has been physically verified by the management during the year in accordance with a phased program of verification adopted by the Company. In our opinion, the frequency of verification is reasonable having regard to the size of the company and nature of its assets. As informed to us, no material discrepancies were noticed on such physical verification.
- ii) In respect of its inventories:
- a) As explained to us, inventories were physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of the verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on Physical Verification of Inventories as compared with the book records.
- iii) In respect of Loans, Secured or Unsecured granted by the company to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013: According to the information and explanations given to us and on the basis of the records produced before us, the company has not granted any Loan, Secured or Unsecured to the companies or firms or other parties covered in the register maintained under section 189 of the Companies Act 2013 and hence sub-clause (a) & (b) of paragraph 3 of the Companies Auditor's Report Order 2015 are not applicable to the Company
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchases of inventory, fixed assets and for the sales of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls system.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted are not applicable to the Company. Therefore, the provisions of Clause (v) of paragraph 3 of the Companies Auditor's Report Order 2015 are not applicable to the Company. According to the information and explanations given to us, no order has been passed by Company Law Board

or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

- vi) In our opinion and according to the information and explanation given to us, the Central Government of India has not prescribed the maintenance of Cost Accounting Records under sub Section (1) of Section 148 of the Companies Act, 2013 and hence this clause is not applicable to the company.
- vii) a) In respect of the Statutory dues: The company is regular in depositing other statutory dues applicable to it. According to the information and explanations given to us and on the basis of records produced before us FBT of Rs. 42,540/- is outstanding for more than six months. Except above there are no undisputable amount payable in respect of Income Tax, Wealth Tax, Sales Tax, custom duty, excise duty and cess were outstanding as at 31st March, 2015 for a period of more than six months from the date they become payable.
- b) According to the records of the company, there are no dues of Sales Tax, Income Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
- c) According to the information and explanations given to us there is no amount which is required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956).
- viii) On the basis of information and explanations given to us and on the basis of records produced before us, the company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The company has not incurred cash loss during the financial year covered by our audit and in the immediately preceding previous year.
- ix) On the basis of the information and explanation given to us and on the basis of records produced before us, the company has not defaulted in repayment of dues to a Bank.
- x) On the basis of the information and explanation given to us and on the basis of records produced before us, the company has not given any guarantee for loans taken by others from bank or financial institution hence the provision of this clause is not applicable to the company.
- xi) According to the information & explanations given to us, the Company has not raised any term loan during the year under audit.
- xii) In our opinion and according to the information and explanations given to us and based on management representation, no material fraud on or by the company has been noticed or reported during the financial year covered by the audit.

**For TALATI & TALATI**  
Chartered Accountants  
(Firm Reg. No 110758W)

AHMEDABAD  
DATE: 30<sup>th</sup> May, 2015

**(UMESH H.TALATI)**  
PARTNER  
M.NO. 34834



## BALANCE SHEET AS AT 31ST MARCH 2015

Amount in Rs.

Particulars	Refer Note No.	As at March 31,2015	As at March 31,2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	3,00,00,000	3,00,00,000
(b) Reserves and Surplus	3	(20,859,641)	(25,924,495)
<b>(2) Current Liabilities</b>			
(a) Short-term borrowings	4	3,662,598	3,977,598
(b) Trade payables	5	80,594	2,365,978
(c) Other current liabilities	6	1,319,802	2,242,261
(d) Short-term provisions	7	1,020,435	322,720
<b>Total</b>		<b>15,223,787</b>	<b>12,984,062</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
<i>(a) Fixed assets</i>			
(i) Tangible assets	8	392,950	4,607,918
(b) Other non-current assets	9	190,626	218,626
<b>(2) Current assets</b>			
(a) Inventories	10	145,411	22,750
(b) Trade receivables	11	25,362	4,074,611
(c) Cash and cash equivalents	12	13,525,902	2,017,346
(d) Short-term loans and advances	13	745,417	590,451
(e) Other Current Asset	14	198,119	1,452,360
<b>Total</b>		<b>15,223,787</b>	<b>12,984,062</b>

The accompanying notes are an integral part of these financial statements. 1 to 33

As per our separate report of even date attached.

**For Talati & Talati**

Chartered Accountants  
(Firm Reg No: 110758W)

**Umesh H. Talati**

Partner  
Mem. No. 34834

Place : Ahmedabad  
Date : 30/05/2015

**For and on behalf of the Board of Directors**

sd/-  
**Dipak N. Patel**  
Managing Director  
(DIN – 02052080)

sd/-  
**Narendrakumar H. Patel**  
Director  
(DIN – 02054077)

Place : INDRAD (Kadi)  
Date : 30/05/2015

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st March 2015**

Amount in Rs.

Particulars	Refer Note No.	2014-15	2013-14
I. Revenue From Operations			
Sale of products	15	948,300	3,297,380
Sale of services		-	879,240
<u>Less:</u>			
Excise duty		-	-
		<b>948,300</b>	<b>4,176,620</b>
II. Other income	16	8,923,188	344,286
<b>III. Total Revenue (I + II)</b>		<b>9,871,488</b>	<b>4,520,906</b>
IV. Expenses:			
Cost of materials consumed	17	656,209	1,961,155
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	18	(132,351)	7,540
Employee benefits expense	19	620,000	609,850
Finance costs	20	165,847	242,572
Depreciation and amortization expense	8	488,188	835,389
Other expenses	21	1,244,403	1,122,952
<b>Total expenses</b>		<b>3,042,296</b>	<b>4,779,458</b>
<b>V. Profit before tax (III- IV)</b>		<b>6,829,192</b>	<b>(258,552)</b>
VI Tax expense:			
(1) Current tax		715,000	-
(2) Deferred tax		-	-
(3) (Excess) / Short Provision for earlier year		-	(742)
		<b>715,000</b>	-
<b>VII Profit (Loss) for the period</b>		<b>6,114,192</b>	<b>(259,294)</b>
VIII Earnings per equity share:			
Basic & Diluted		2.04	(0.09)

The accompanying notes are an integral part of these financial statements. 1 to 33

As per our separate report of even date attached.

**For Talati & Talati**  
 Chartered Accountants  
 (Firm Reg No: 110758W)

**Umesh H. Talati**  
 Partner  
 Mem. No. 34834

 Place : Ahmedabad  
 Date : 30/05/2015

**For and on behalf of the Board of Directors**

 sd/-  
**Dipak N. Patel**  
 Managing Director  
 (DIN – 02052080)

 sd/-  
**Narendrakumar H. Patel**  
 Director  
 (DIN – 02054077)

 Place : INDRAD (Kadi)  
 Date : 30/05/2015

**NOTE : 1****1) SIGNIFICANT ACCOUNTING POLICIES****a) Basis for preparation of accounts :**

The financial statements are prepared under the historical cost convention and comply with the applicable Accounting Standards and the relevant provisions of the Companies Act, 2013.

**b) Use of estimates :**

The presentation of the Financial Statements in conformity with the Generally Accepted Accounting policies requires the management to make estimates and assumptions that affect the reported amount of Assets and Liabilities, Revenues and Expenses and disclosure of contingent liabilities. Such estimation and assumptions are based on management's evaluation of relevant facts and circumstances as on date of Financial Statements. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

**c) Revenue Recognition :**

Sales are stated net of rebate and trade discount and excludes Central Sales Tax, State Value Added Tax. With regard to sale of products, income is reported when practically all risks and rewards connected with the ownership have been transferred to the buyers. This usually occurs upon dispatch, after the price has been determined.

**d) Fixed Assets :**

Fixed Assets are stated at cost net of Cenvat / Value Added Tax and includes amount added on revaluation, less accumulated depreciation and impairment loss if any. All costs, including financing costs till commencement of commercial production.

**e) Depreciation:**

Depreciation has been provided on Straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies act, 2013.

**f) Inventories:**

Inventories of raw materials and finished goods are valued at cost or Net Realizable Value whichever is lower. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and to make sale.

**g) Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**h) Taxes of Income**

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred tax is recognized on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed at each Balance Sheet date to reassess realization.

**i) Provisions, Contingent Liabilities and Contingent Assets:**

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

**j) Earning Per Share:**

Basic earning per share is calculated by dividing the Net Profit After Tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares issued during the year. Diluted Earning Per Share is calculated by dividing the Net Profit attributed to the Equity Shareholders (after adjustment for diluted earnings) by average number of weighted Equity shares outstanding during the year.

**k) Cash and Cash Equivalents :**

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

	As at March 31, 2015	As at March 31, 2014
<b>2 SHARE CAPITAL :</b>		
<b><u>Authorised Capital:</u></b>		
40,00,000 Equity Shares of ` 10/- each (PY 40,00,000 Equity Shares of ` 10/- each)	4,00,00,000	4,00,00,000
<b><u>Issued, Subscribed &amp; Fully Paid up Capital :</u></b>		
30,00,000 Equity shares of ` 10/- each fully paid (PY 30,00,000 Equity Shares of ` 10/- each fully paid)	3,00,00,000	3,00,00,000
	<u>3,00,00,000</u>	<u>3,00,00,000</u>

**(a) Reconciliation of number of shares :**

	As at March 31, 2015		As at March 31, 2014	
	No of Shares	Amount	No of Shares	Amount
Equity shares:				
Shares outstanding at the beginning of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Add: shares issued during the year	-	-	-	-
Add : Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000

**(b) Details of share holders holding more than 5% shares in the company:**

Sr	Name of share holders	As at March 31, 2015		As at March 31, 2014	
		No of Shares held	% of holding	No of Shares held	% of holding
1	Narendraprasad C Patel	3,03,900	10.13%	3,03,900	10.13%
2	Dipak N. Patel	233,100	7.77%	222,700	7.42%

**(c) Terms/rights, preferences and restrictions attached to securities:**

**Equity Shares:**

The company has only one class of equity shares having a face value of ` 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2015 the amount of per share dividend recognized as distributions to equity shareholders is ` 0/-.

In the events of liquidation of the company, the holders of equity shares will be entitled to remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportions to the number of equity share held by the shareholders.

	As at March 31, 2015	As at March 31, 2014
<b>3 RESERVES &amp; SURPLUS :</b>		
<b><u>Surplus in Statement of Profit &amp; Loss Account</u></b>		
Balance as per last accounts	(25,924,495)	(25,665,201)
Profit for the year	6,114,192	(259,294)
Less: Appropriations		
Adjustment relating to Fixed Assets ( Refer note no. 14.1)	1,049,338	-
Proposed dividend on Equity Shares for the year	-	-
Dividend distribution tax on Proposed dividend	-	-
Transfer to General Reserve	-	-
<b>Total</b>	<u>(20,859,641)</u>	<u>(25,924,495)</u>

**4 SHORT TERM BORROWINGS:**

**Unsecured :**

From Directors	3662598	3,902,598
From Others	-	-

**Deposits**

Trade deposits	-	75,000
<b>Total</b>	<u>3,662,598</u>	<u>3,977,598</u>

**Terms of repayment for unsecured borrowings**

The company has taken interest free loans and advances from Directors which is repayable on demand.

Amount in Rs.

	As at March 31,2015	As at March 31,2014
<b>5 TRADE PAYABLES:</b>		
- Due to Micro Small & Medium Enterprises (*)	-	-
- For Goods & services	5,400	1,843,924
- Others	75,194	522,054
<b>Total</b>	<b>80,594</b>	<b>2,365,978</b>
(*) In the absence of the complete information regarding the status of the suppliers as Micro, Small & Medium Enterprise as per the Micro, Small & Medium enterprise development Act, 2006, the information regarding the amount due to such parties as on the balance sheet date and provision for interest if any required by the said Act is not been made.		
<b>6 OTHER CURRENT LIABILITIES:</b>		
<b>Other Payables:</b>		
- Bank Over Draft	-	2,168,173
- Statutory dues	10,140	73,479
- Other Liabilities	3,065	609
- Advance from Customers	6,597	-
- Advance for Sale of Assets	1,300,000	-
<b>Total</b>	<b>1,319,802</b>	<b>2,242,261</b>
<b>7 SHORT TERM PROVISIONS:</b>		
<b>Provision for employee benefits:</b>		
Provision for gratuity	2,62,895	2,62,895
<b>Others:</b>		
Provision for Income tax	715,000	-
Provision for fringe benefit tax	42,540	42,540
Provision For Exp.	-	17,285
<b>Total</b>	<b>1,020,435</b>	<b>322,720</b>

**Note - 8 : TANGIBLE ASSETS**

Particulars	Land	Factory Building	Plant & Machinery	Electric Installation	Furniture & Fixtures	Office Equipment	Total
<b>Cost of assets</b>							
At 1 April 2013	145,354	6,020,457	12,999,814	312,837	565,982	41,295	<b>20,085,739</b>
Additions	-	-	-	-	-	-	-
Disposal / Adjustment	-	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-
<b>At 31 March 2014</b>	<b>145,354</b>	<b>6,020,457</b>	<b>12,999,814</b>	<b>312,837</b>	<b>565,982</b>	<b>41,295</b>	<b>20,085,739</b>
Additions	-	-	34,098	-	-	-	34,098
Disposal / Adjustment	145,354	6,020,457	7,672,626	3,212	100,000	3,500	13,945,149
Exchange Differences	-	-	-	-	-	-	-
<b>At 31 march 2015</b>	<b>-</b>	<b>-</b>	<b>5,361,286</b>	<b>309,625</b>	<b>465,982</b>	<b>37,795</b>	<b>6,174,688</b>
<b>Depreciation</b>							
At 1 April 2013	-	3,451,926	10,342,163	278,056	537,683	32,605	14,642,433
Charge for the year	-	201,084	617,488	14,856	-	1,960	835,388
Disposal / Adjustment	-	-	-	-	-	-	-
<b>At 31 March 2014</b>	<b>-</b>	<b>3,653,010</b>	<b>10,959,651</b>	<b>292,912</b>	<b>537,683</b>	<b>34,565</b>	<b>15,477,821</b>
Charge for the year	-	137,761	348,189	1,071	-	1,167	488,188
Disposal / Adjustment	-	3,790,771	6,298,500	-	95,000	-	10,184,271
<b>At 31 march 2015</b>	<b>-</b>	<b>-</b>	<b>5,009,340</b>	<b>293,983</b>	<b>442,683</b>	<b>35,732</b>	<b>5,781,738</b>
<b>Net Block</b>							
<b>At 31 March 2014</b>	<b>145,354</b>	<b>2,367,447</b>	<b>2,040,163</b>	<b>19,925</b>	<b>28,299</b>	<b>6,730</b>	<b>4,607,918</b>
<b>At 31 March 2015</b>	<b>-</b>	<b>-</b>	<b>351,946</b>	<b>15,642</b>	<b>23,299</b>	<b>2,063</b>	<b>392,950</b>

**8.1** Consequent to the enactment of the Companies Act, 2013 and its applicability of accounting period commencing after 1st April, 2014, the Company has reworked depreciation with reference to the estimated economic lives of fixed assets, prescribed in the schedule II to the Act or actual useful life of assets, whichever is lower. In case any asset whose life has completed as above, carrying value as at 1st April, 2014 has been adjusted to opening balance of Reserve & Surplus to the extent of Rs. 1,049,338/- and in other cases, carrying value has been depreciated over remaining useful life of the assets and recognised in statement of profit and loss.

**8.2** Further, the company has reworked depreciation with reference to the estimated economic lives of Fixed Assets prescribed in the Schedule II to the Act. Due to change in the estimates of economic lives of Fixed Assets, provision of depreciation of the current year has been lower by Rs.2,74,062/-.

	As at March 31, 2015	As at March 31, 2014
<b>9 OTHER NON - CURRENT ASSETS</b>		
Fixed Deposit with maturity of more than 12 months	190,626	218,626
<b>Total</b>	<b>190,626</b>	<b>218,626</b>
<b>10 INVENTORIES:</b>		
(valued at lower of cost or net realizable value)		
Raw materials:	13,060	22,750
Packing materials	1,205	-
Oil	21,120	-
Finished goods	110,026	-
<b>Total</b>	<b>145,411</b>	<b>22,750</b>
<b>11 TRADE RECEIVABLES:</b>		
(Unsecured, considered good, unless otherwise stated)		
Outstanding for a period exceeding 6 months from the date they are due for payment	25,362	281,295
Others	-	3,793,316
<b>Total</b>	<b>25,362</b>	<b>4,074,611</b>
<b>12 CASH AND BANK BALANCES:</b>		
<b><u>Cash and cash equivalent :</u></b>		
Balance with Banks :		
- In Current accounts	-	818
(Deposit with maturity of less than 3 months)		
Cash on hand	150,112	16,528
	<b>150,112</b>	<b>17,346</b>
<b><u>Other bank balances:</u></b>		
In Current Accounts	475,790	-
Fixed Deposit with maturity of more than 3 months but less than 12 months	12,900,000	2,000,000
Fixed Deposit with maturity of more than 12 months	190,626	218,626
	13,090,626	2,218,626
Less : Amount disclosed under Other Non Current Assets (Note No. 9)	(190,626)	(218,626)
	<b>12,900,000</b>	<b>2,000,000</b>
<b>Total</b>	<b>13,525,902</b>	<b>2,017,346</b>
<b>13 SHORT-TERM LOANS AND ADVANCES:</b>		
Unsecured considered good, unless otherwise stated:		
Other loans and advances:		
- Advances recoverable in cash or kind	23,885	-
- Deposit to Suppliers	900	900
- Balances with government authorities	4,64,039	4,64,039
- Advance tax	256,593	125,512
<b>Total</b>	<b>745,417</b>	<b>590,451</b>
<b>14 Other Current Asset</b>		
Unsecured considered good, unless otherwise stated:		
Others :		
Intrest accrued on Fixed Deposit	198,119	22,360
Receivables for sale of Assets	-	14,30,000
<b>Total</b>	<b>198,119</b>	<b>1,452,360</b>



	<u>2014-15</u>	<u>2013-14</u>
<b>15 REVENUE FROM OPERATIONS:</b>		
<b><u>Sale of products</u></b>		
Corn FAT Powder	-	8,460
MCT FAT Powder	201,675	248,160
Groundnut FAT Powder	-	760
Aromatic Palm Fat Powder	10,625	-
Calcium Caseinate	-	5,28,000
Sodium Caseinate	736,000	2,512,000
	<u>948,300</u>	<u>3,297,380</u>
<b><u>Sale of services</u></b>		
Commission	-	879,240
<b>Total</b>	<b><u>948,300</u></b>	<b><u>4,176,620</u></b>
<b>16 OTHER INCOME:</b>		
Interest Income	512,937	227,914
Scrap Sales	-	116,000
<b>Other Non Operating Income :</b>		
Interest Received on I.T.Refund	1,245	71
Profit on sale of Land & Building	7,624,960	-
Profit on sale of Plant & Machinery	755,036	-
Profit on sale of Furniture & Fixtures	29,000	-
Sundry Balance written back	10	301
<b>Total</b>	<b><u>8,923,188</u></b>	<b><u>344,286</u></b>
<b>17 COST OF MATERIALS CONSUMED:</b>		
<b>Opening Stock</b>	22,750	79,592
	<u>22,750</u>	<u>79,592</u>
<b>Add : Purchases</b>	646,519	1,904,313
	<u>669,269</u>	<u>1,983,905</u>
<b>Less : Closing Stock</b>	13,060	22,750
<b>Total</b>	<b><u>656,209</u></b>	<b><u>1,961,155</u></b>
<b>18 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Closing Stock</b>		
Finished goods	132,351	-
Work in process	-	-
Total ( A )	<u>132,351</u>	<u>-</u>
<b>Opening Stock</b>		
Finished goods	-	7,540
Work in process	-	-
Total ( B )	<u>-</u>	<u>7,540</u>
<b>Total (A-B)</b>	<b><u>(132,351)</u></b>	<b><u>7,540</u></b>
<b>19 EMPLOYEE BENEFITS EXPENSE:</b>		
Salary & Wages	620,000	609,850
<b>Total (A-B)</b>	<b><u>620,000</u></b>	<b><u>609,850</u></b>
<b>20 FINANCE COSTS:</b>		
Interest Charges	163,236	239,574
Bank Charges	2,611	2,998
<b>Total</b>	<b><u>165,847</u></b>	<b><u>242,572</u></b>

	<u>2014-15</u>	<u>2013-14</u>
<b>21 OTHER EXPENSES:</b>		
Consumption of stores & spare parts	-	11,236
Consumption of Fuel	113,335	307,355
Consumption of packing materials	34,102	6,341
Factory Expense	2,044	6,725
<u>Repairs and maintenance :</u>		
Machinery	18,390	2,900
Building	-	7,935
Others	8,000	7,078
	<u>26,390</u>	<u>17,913</u>
Rates & Taxes	6,295	17,285
Travelling & Conveyence	23,685	21,911
Telephone Expense	19,354	18,143
Electricity Expenses	83,857	100,119
Stationary & Printing Expense	47,194	50,362
Audit Fees	79,775	60,674
Listing Fees	115,360	23,595
R.O.C fees	20,800	-
Penalty (Stock exchange)	6,741	-
TDS Penalty	40,964	-
Directors Sitting fees	5,500	-
Rent Expense	12,500	-
Legal, Consultancy and Professional Fees	352,119	205,679
Miscellaneous expenses	244,319	207,003
Insurance Premium	-	96
Interest on Provident Fund	-	65,615
Interest on VAT	1,560	1,474
Interest on late payment of TDS	8,509	1,426
<b>Total</b>	<u><u>1,244,403</u></u>	<u><u>1,122,952</u></u>
<b>Payment to auditors</b>		
As auditor:		
Statutory auditor	33,708	30,337
Tax auditor	-	-
<b>In other capacity :</b>		
For taxation matters	7,865	7,865
For other services	38,202	22,472





22 Based on the guiding principle given in Accounting Standard 17, on Segment Reporting issued by the Institute of the Chartered Accountants of India, the primary business of the company is processing of chemicals. Therefore, there are no separate reportable segments as far as primary segment is concerned.

As the processing of chemicals outside India is NIL, secondary segment-wise reporting is not required to be shown.

Also the operation of the company is in India and all the Assets and Liabilities are located in India. The sale is wholly in India and therefore Geographical analysis is not given.

23 Related party disclosure under Accounting Standard-18

(A) (i) **Key Management Personnel**

1. Mr. Dipak N. Patel

(ii) **Relative of key management personnel**

1. Mrs. Parul D. Patel (Wife of Director) 2. Mr. Nimit D. Patel (Son of Director) 3. Mrs. Kusum N Patel (Mother of Director)

NOTE: Related party relationship is as identified by the Company and relied upon by the Auditors.

(B) Transaction carried out with related parties referred to in (A) above:

Particulars	Related Parties Referred in A (i) above Amount (₹)	Related Parties Referred in A(ii)above Amount (₹)	Total Amount (₹)
Net Loan Taken/(Returned)	(240,000)	-	(240,000)
Remuneration	4,80,000	-	4,80,000
<b>Closing Balance</b>			
Loan Taken	3,662,597	-	3,662,597

**31-03-2015**

**31-03-2014**

24 **Earning per share**

Profit / (Loss) after Tax as per Statement of Profit & Loss	6,114,192	(259,294)
No. of Equity Share	<b>30,00,000</b>	30,00,000
Earning per Share (₹)	0.20	(0.09)
(Basic and Diluted)	0.20	(0.09)

25 As the company does not anticipate taxable profit in near future, so to comply with the Accounting Standard-22 issued by the Institute of Chartered Accountants of India, New Delhi, the deferred tax asset has not been provided relating to the previous year.

26 **Retirement Benefits:**

The provisions of gratuity and retirement benefits are not applicable to the Company.

27 Balances of Cash and Bank, Trade Receivable, Trade Payable, loans and advances are subject to confirmation in the ordinary course of business.

28 The Directors are of the opinion that the current assets stated in the Balance Sheet are valued at approximately realizable value in the ordinary course of Business and all known liabilities have been provided for.

29 (j) Consumption of Raw Materials:

Product	2014-15 Amount	2013-14 Amount
Corn Fat Powder	-	11,250
MCT FAT Powder	221,481	163,460
Groundnut FAT Powder	-	-
Aromatic Palm FAT Powder	20,160	-
Malto Dextrin Powder	-	2,500
Sodium Caseinate	425,000	1,783,945
<b>TOTAL</b>	<b>666,641</b>	<b>174,710</b>
(ii) Work in Progress:		
Corn Fat Powder	0	-
MCT FAT Powder	0	-
<b>TOTAL</b>	<b>0</b>	<b>-</b>

(iii) Sales, Opening and Closing Stock of Finished Goods:

Product	Sales		Opening Stock		Closing Stock	
	2014-15 Amount	2013-14 Amount	2014-15 Amount	2013-14 Amount	2014-15 Amount	2013-14 Amount
Corn Fat Powder	-	8,460	-	3,960	-	-
MCT FAT Powder	201,675	248,160	-	2,820	6,493	-
Aromatic Palm FAT Powder	10,625	-	-	-	9,523	-
Pediapt Ultra	-	-	-	-	94,010	-
Grounding FAT Powder	-	760	-	760	-	-
Calcium Caseinate	-	528,000	-	-	-	-
Sodium Caseinate	736,000	2,512,000	-	-	-	-
<b>TOTAL</b>	<b>948,300</b>	<b>3,297,380</b>	<b>-</b>	<b>7,540</b>	<b>110,026</b>	<b>-</b>

(iv) Details of Goods Traded:

Particulars	2014-15 Amount (₹)	2013-14 Amount (₹)
Good Purchased	Nil	Nil

(v) Value of imports calculated on C.I.F. basis during the financial year in respect of:

(i) Raw Materials	Nil	Nil
(ii) Components – spare parts	Nil	Nil
(iii) Chemical	Nil	Nil
(iv) Capital Goods	Nil	Nil

30 Expenditure in foreign currency during the financial year:

(i) Technical Know how / Professional Fees / Consultancy Fees	NIL	NIL
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31 Value of Raw Materials, Stores, Chemical & Spares consumed during the year:

Particulars	Amount		% of Total Consumption	
	2014-15	2013-14	2014-15	2013-14
<b>Raw Materials</b>				
(i) Imported	-	-	-	-
(ii) Indigenous	656,209	1,961,155	100%	100%
<b>Total</b>	<b>656,209</b>	<b>1,961,155</b>	<b>100%</b>	<b>100%</b>
<b>Stores, Spares &amp; Consumables</b>				
(i) Imported	-	-	-	-
(ii) Indigenous	-	11,236	100%	100%
<b>Total</b>	<b>-</b>	<b>11,236</b>	<b>100%</b>	<b>100%</b>

32 Earnings in Foreign Currency :

	2014-15 Amount	2013-14 Amount
F.O.B. Value of Earning	Nil	Nil

33 Previous year figures have been re-arranged, reclassified and re-grouped, wherever necessary to make them comparable.

As per our separate report of even date attached.

**For Talati & Talati**  
Chartered Accountants  
(Firm Reg No: 110758W)

**Umesh H. Talati**  
Partner  
Mem. No. 34834

Place : Ahmedabad  
Date : 30/05/2015

**For and on behalf of the Board of Directors**

Sd/-  
**Dipak N. Patel**  
Managing Director  
(DIN – 02052080)

Sd/-  
**Narendrakumar H. Patel**  
Director  
(DIN – 02054077)

Place : INDRAD (Kadi)  
Date : 30/05/2015

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015.

PARTICULARS	2014-15	2013-14
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) Before Tax		
As Per Profit & Loss Account	6,829,192	(258,552)
Add/ Less Adjustments For:		
Add: Depreciation	488,188	835,389
Interest Paid	163,236	239,574
Less: Interest Income	(512,937)	(227,914)
Profit On Sale of Fixed Assets	(8,408,996)	-
<b>Operating Profit/(Loss) Before Working Capital Changes</b>	<b>(1,441,317)</b>	<b>588,497</b>
<b>Adjustments For Working Capital:</b>		
Increase/Decrease In Current Assets	5,201,621	(3,651,191)
Increase/Decrease In Current Liabilities	(3,225,128)	2,092,354
<b>Cash Generated from operations</b>	<b>535,176</b>	<b>(970,340)</b>
Less : Taxes Paid	-	(92,888)
<b>Net Cash Flows From Operating Activities (A)</b>	<b>535,176</b>	<b>(1,063,228)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(34,098)	-
Proceeds from Sale of Fixed Assets	11,120,536	-
Sale of Fixed Assets	(10,900,000)	(1,790,000)
Proceeds on maturity of Fixed Deposits	28,000	1,809,374
Interest Received	337,178	234,451
<b>Net Cash Generated From Investing Activities (B)</b>	<b>551,616</b>	<b>253,825</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Interest Paid	(163,236)	(239,574)
Proceeds from Short Term Borrowings	-	957,000
Repayment of Short Term Borrowings	(315,000)	-
<b>Net cash flow from Financing Activities (C)</b>	<b>(478,236)</b>	<b>717,426</b>
<b>Net Increase/ (Decrease) In Cash &amp; Cash Equivalents Total (A+B+C)</b>	<b>608,556</b>	<b>(91,977)</b>
<b>Cash &amp; Cash Equivalents At The Beginning Of The Year</b>		
Cash On Hand	16,528	104,792
Bank Balance	818	4,531
Fixed Deposits For Less Than 3 Months	-	-
	<b>17,346</b>	<b>109,323</b>
<b>Cash &amp; Cash Equivalents At The End Of The Year</b>		
Cash On Hand	150,112	16,528
Bank Balance	475,790	818
Fixed Deposits For Less Than 3 Months	-	-
	<b>625,902</b>	<b>17,346</b>
	<b>608,556</b>	<b>(91,977)</b>

## Notes :

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 issued by The Institute of Chartered Accountants of India.
- The figures in brackets represent outflows.
- Previous periods figures have been regrouped/ reclassified, wherever necessary, to confirm to current year presentation.

**The accompanying notes are an integral part of Financial Statements**

As per our separate report of even date attached.

For and on behalf of the Board of Directors

**For Talati & Talati**Chartered Accountants  
(Firm Reg No: 110758W)**Umesh H. Talati**Partner  
Mem. No. 34834Place : Ahmedabad  
Date : 30/05/2015

sd/-

**Dipak N. Patel**  
Managing Director  
(DIN - 02052080)Place : INDRAD (Kadi)  
Date : 30/05/2015

sd/-

**Narendrakumar H. Patel**  
Director  
(DIN - 02054077)

**CRESTCHEM LIMITED**

**CIN : L24100GJ1991PLC015530**

Registered Office : 325, Village Indrad Tal- Kadi, Mehsana -382715 (North Gujarat)Tel : (0264) 264277844

E-mail : [info@crestchemlimited.in](mailto:info@crestchemlimited.in) Website : [www.crestchemlimited.com](http://www.crestchemlimited.com)

Form No. MGT -11

PROXY FORM

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

Name of the Member(s).....

Registered Address .....

E-mail ID .....

No. of Shares held .....

Folio No./Client ID\*.....

DP ID\* .....

\* Applicable for holding shares in electronic form

I/We, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint :

1. Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_,or failing him

2. Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_,or failing him

3. Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_,or failing him

my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on Wednesday, the 30th day of September, 2015 at 05-00 P.M. at Conference Hall, Sankalp Express, Thol Road, Kadi, Taluka: Kadi (NORTH GUJARAT) and at any adjournment thereof in respect of such resolutions as are indicated below :

Sl. No.	Resolutions	No. of Shares	I/We assent to the resolution (Against)	I/We assent to the resolution (For)
<b>Ordinary Resolution</b>				
1	Adopt the Audited Accounts of the Company for the period (12 months) ended on 31 <sup>st</sup> March 2015, and the Director's and Auditor's Reports thereon.			
2	Shri Narendrakumar H. Patel (DIN – 02054077) who retires by rotation			
3	Appointment of Statutory Auditors of the Company Special Business.			
<b>Special Business</b>				
4	Appointment of Smt. Binaben Parasbhai Patel (DIN - 07131005) as an Independent Director.			
5	Appointment of Shri Neil Darshan Dalal (DIN - 07072376), as a Whole time Director and CFO.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of Shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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**ATTENDANCE SLIP**

Name of the Member (in block letters).....

Name of the Proxy (in block letters) .....

(to be filled if proxy attends instead of the members)

Folio No. .... DP ID No. ....

Client ID No. .... No. of Shares .....

I/We hereby record my/our presence at the 23rd Annual General Meeting of the Company, to be held on Wednesday, the 30th day of September, 2015 at 05-00 P.M. at Conference Hall, Sankalp Express, Thol Road, Kadi, Taluka: Kadi (NORTH GUJARAT) any adjournment thereof.

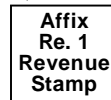
Date : \_\_\_\_\_

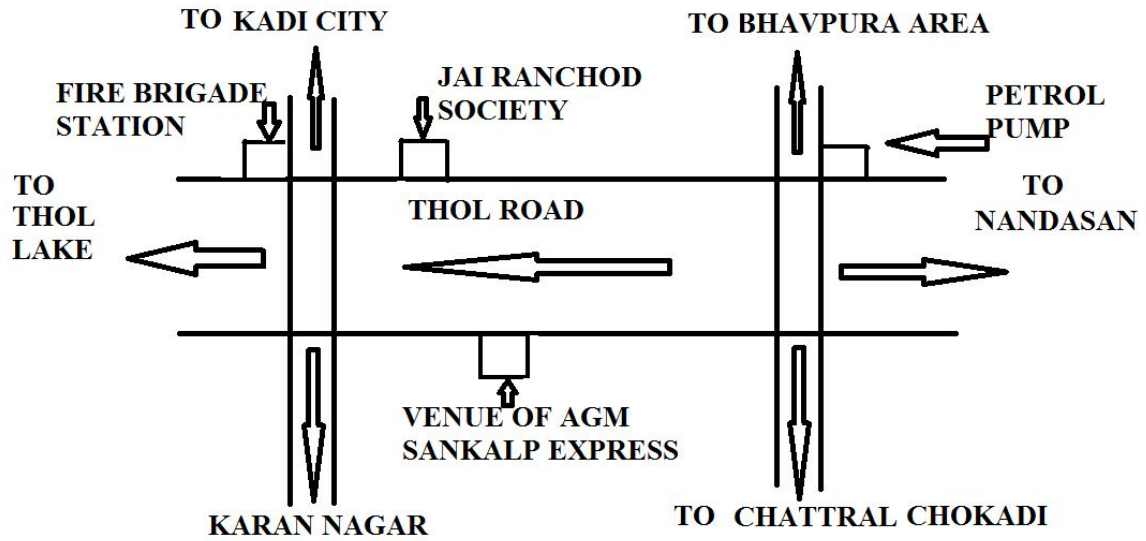
Signature of the Member / Proxy \_\_\_\_\_

Notes :

1. This attendance slip should be signed and handed over at the entrance of the Meeting Hall.

2. Member / Proxy holder desiring to attend the meeting should bring his / her copy of the Annual Report for reference at the meeting.





**CRESTCHEM LIMITED**

**CIN : L24100GJ1991PLC015530**

Registered Office : 325, Village Indrad Tal- Kadi, Mehsana -382715 (North Gujarat) Tel : (0264) 264277844

E-mail : [info@crestchemlimited.in](mailto:info@crestchemlimited.in) Website : [www.crestchemlimited.com](http://www.crestchemlimited.com)

Form No. MGT -12

**BALLOT FORM**

(TO BE USED BY SHAREHOLDERS PERSONALLY PRESENT/ THROUGH PROXY AT THE MEETING AND HAVE NOT OPTED FOR EVOTING)

Name of the Member(s)..... Registered Address .....

E-mail ID ..... No. of Shares held .....

Folio No./Client ID\* ..... DP ID\* .....

I/We hereby exercise my/our assent or dissent by way of vote(S) at the time of my/our personal presence/through proxy at the General Meeting in respect of the ordinary & Special Resolutions set out in the Notice of 23rd Annual General Meeting (AGM) of the Company held on Wednesday, the 30<sup>th</sup> September, 2015 by placing the tick( ) mark at the appropriate box below:

Sr. No	Particular	No. of Shares	(For) I/We assent to the resolution	(Against) I/We assent to the resolution
<b>Ordinary Resolution</b>				
1	Adopt the Audited Accounts of the Company for the period (12 months) ended on 31 <sup>st</sup> March 2015, and the Director's and Auditor's Reports thereon.			
2	Shri Narendrakumar H. Patel (DIN – 02054077) who retires by rotation			
3	Appointment of Statutory Auditors of the Company Special Business.			
<b>Special Business</b>				
4	Appointment of Smt. Binaben Parasbhai Patel (DIN - 07131005) as an Independent Director.			
5	Appointment of Shri Neil Darshan Dalal (DIN - 07072376), as a Whole time Director and CFO.			

Date : \_\_\_\_\_

Signature of the Member / Proxy \_\_\_\_\_

Note : This Ballot is to be used for exercising voting at the time of 23rd Annual General Meeting to be held on Wednesday, the 30<sup>th</sup> September, 2015 by shareholders/proxy. Duty filled in and signed ballot form should be dropped in the Ballot box kept at the venue of AGM.

**INSTRUCTIONS FOR BALLOT FROM**

1. This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
2. A member can opt for only one mode of voting i.e. either through e-voting or by ballot.
3. Ms. Dhara Shah, Practicing Company Secretary (Membership Number ACS 30237) has been appointed as the scrutinizer.

**BOOK-POST  
PRINTED MATTER**

To,

*If undelivered, please return to :*



**REGISTERED OFFICE**

325, Village : Indrad, Chhatral - Kadi Road,  
Tal.: Kadi, Dist. : Mehsana, (NORTH GUJARAT) 382715.