



CHEMCRUX
ENTERPRISES LTD.



Nurturing growth

ANNUAL REPORT
2018-19

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Girishkumar C. Shah - Chairman & Whole Time Director
Mr. Sanjay Y. Marathe - Managing Director
Mrs. Sidhdhi G. Shah - Director
Mrs. Neela S. Marathe - Director
Mr. Shailesh Patel - Independent Director
Mr. Bhanubhai V. Patel - Independent Director

KEY MANAGERIAL PERSONNEL

Mr. P.V. Tiwari - CFO
Mrs. Ekta Kumari - Company Secretary

BANKERS:

Kotak Mahindra Bank Limited

REGISTERED OFFICE:

*330, TRIVIA Complex
Natubhai Circle, Racecourse,
Vadodara- 390 007 INDIA
Ph: +91-0265-2984803/2988903
**w.e.f 24th May, 2019*

WORKS :

4712-14, GIDC
Road South 10,
Ankleshwar – 393002
Gujarat, INDIA

BOARD COMMITTEES

Audit Committee

Mr. Shailesh Patel (Chairman)
Mr. Bhanubhai Patel
Mrs. Neela Marathe

Remuneration Committee

Mr. Bhanubhai Patel (Chairman)
Mr. Shailesh Patel
Mrs. Sidhdhi Shah

Stakeholders Relationship Committee

Mr. Shailesh Patel (Chairman)
Mr. Bhanubhai Patel
Mrs. Sidhdhi Shah

AUDITORS

Statutory Auditors:

R.J. Shah & Associates, Chartered Accountants
D- 408, Avishkar Complex,
Old Padra Road
Vadodara-390 015

Internal Auditors:

Naresh & Co., Chartered Accountants
City Enclave, Opp. Polo Ground
Vadodara – 390001

Secretarial Auditors:

Kashyap Shah & Co.
B 203, Manubhai Tower
Sayajigunj, Vadodara -390005

Registrar & Share Transfer Agent:

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis,
Makwana Road, Marol ,
Andheri – East, Mumbai – 400059
E-mail id: info@bigshareonline.com

WEBSITE : www.chemcrux.com

CIN : L01110GJ1996PLC029329

Investors Relations Mail ID :

companysec@chemcrux.com

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CHEMCRUX ENTERPRISES LIMITED



CHEMCRUX ENTERPRISES LIMITED

CIN: L01110GJ1996PLC029329

Regd. Office: 330, TRIVIA Complex, Natubhai Circle, Racecourse Vadodara - 390007

Factory Office: 4712-14, GIDC, Road South 10, Ankleshwar-393 002, (Gujarat) INDIA

Ph: +91-0265-2984803/2988903

Email: girishshah@chemcrux.com Website: www.chemcrux.com

NOTICE

NOTICE is hereby given that the Twenty Third (23rd) Annual General Meeting of members of **CHEMCRUX ENTERPRISES LIMITED** (the Company) will be held on Tuesday, the 17th day of September, 2019 at 02:00 p.m. at the registered office of the Company at 330, TRIVIA Complex, Natubhai Circle, Racecourse, Vadodara 390007, in the State of Gujarat to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 including the Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss and Cash Flow for the year ended on that date together with the reports of the Board of Directors and Auditors thereon and in this regard pass the following resolution as an ordinary resolution:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the report of the Board of Directors and the Auditors thereon laid before the meeting, be and are hereby received, considered, approved and adopted."

2. To declare dividend for the financial year ended 31st March, 2019 at the rate of 5% (Rs. 0.50 per Equity Share) and in this regard pass the following resolution as an ordinary resolution :

"RESOLVED THAT dividend of Rs. 0.50 per equity share (5%) on 49,36,280 equity shares of the Company be and is hereby declared to the equity shareholders of the Company whose name appear in the Register of Members on 10th September, 2019, out of the profits of the Company for the year ended on 31st March 2019."

3. To re- appoint the retiring director Mrs. Siddhi G. Shah (DIN: 00469138), who retires by rotation and being eligible, offers herself for re-appointment and in this regard to pass the following resolution as an ordinary resolution :

"RESOLVED THAT Mrs. Sidhdhi G. Shah (DIN: 00469138), Director of the Company, who retires by rotation at this Annual General Meeting in accordance with section 152 of the Companies Act, 2013 and being eligible for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."

**By order of the Board of Directors
For CHEMCRUX ENTERPRISES LIMITED**

Place: Vadodara

Date: 17th August, 2019

Sd/-

**Ekta Kumari Srivastava
Company Secretary**

NOTES:

1. **The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday 11th September, 2019 to Tuesday 17th September, 2019 (both days inclusive) for annual book closing and record date shall be as on Tuesday, 10th September, 2019 for determining the entitlement of shareholders to the final dividend. The cut off date shall be as on Tuesday 10th September, 2019 to determine the shareholders entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.**
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS**



THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

3. The instrument appointing the proxy (duly completed, stamped and signed) must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.
4. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 details of director retiring by rotation at the ensuing annual general meeting is given in annexure to this notice.
5. Subject to the provisions of section 126 of the Companies Act, 2013, dividend as recommended by the Board of Directors for the year ended 31st March, 2019, if declared, will be payable to those Members, whose names appear in the Register of Members as at the close of business on 10th September, 2019 and in respect of shares held in dematerialised form, as per the list of beneficial owners furnished to the Company by NSDL/CDSL, as at the close of business on 10th September, 2019.

5.1 In respect of shares held in electronic/demat form, beneficial owners are requested to notify any change in their address, bank account, mandate, etc. to their respective Depository Participant.

6. M/s. Bigshare Services Private Limited, the Registrar and Transfer Agent (RTA) having their administrative office situated at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol Andheri – East, Mumbai – 400059 in the State of Maharashtra, is handling registry work in respect of shares held both in physical form and in electronic/demat form. All requests for transfer of Equity Shares and allied matters along with the relevant transfer deeds and shares certificates should be sent either to the RTA or at the registered office of the Company.
7. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
8. Members/Proxies/Representatives are requested to bring the attendance slip enclosed to the annual report /notice for attending the meeting.
9. Members are requested to intimate the Company of queries, if any, regarding the accounts / notice at least ten days before the Annual General Meeting to enable the Management to keep the information ready at the meeting.
10. All documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection at the registered office of the Company during normal business hours (9.30 a.m. to 5.00 p.m.) on all working days except Sundays, upto and including the date of Annual General Meeting of the Company.
11. **Green Initiative – Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically. Members may also note that Annual Report for the FY 2018-19 will also be available on the website of the Company viz. www.chemcrux.com.**

12. VOTING THROUGH ELECTRONIS MEANS :

- i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. **The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).**



- ii. The facility for voting through ballot paper shall also be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- iii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iv. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting through ballot paper.
- v. The process and manner for remote e-voting are as under:
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>
Step 2: Cast your vote electronically on NSDL e-Voting system

vi. **Details on Step 1 is mentioned below :**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under Shareholders' section.
3. A new section will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical **Your User ID is:**

- | | |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID
For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.



- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.
- Details on Step 2 is given below :**
- How to cast vote electronically on NSDL e-voting system?**
1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
 3. Select "EVEN" of company for which you wish to cast your vote.
 4. Now you are ready for e-Voting as the Voting page opens.
 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
 6. Upon confirmation, the message "Vote cast successfully" will be displayed.
 7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- VII. 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 future communication(s).



- VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 10th September, 2019.
- IX. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 10th September, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or companysec@chemcrux.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- X. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XI. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” or “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

GENERAL INSTRUCTIONS :

- a. The e-voting period commences on Saturday, 14th September, 2019 (09:00 a.m. IST) and ends on Monday, 16th September, 2019 (5:00 p.m. IST). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 10th September, 2019, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b. Mr. Kashyap Shah, Practicing Company Secretary (Membership No. FCS 7662), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- c. The Scrutinizer shall, after the conclusion of voting at the General Meeting, first count the votes cast at the Meeting and unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make not later than three days of the conclusion of the AGM a Consolidated Scrutinizer’s Report of the total votes cast in favour or against and invalid votes if any, forthwith to the Chairman of the Company or the person authorized by him, who shall countersign the same and declare the result of the voting forthwith.
- d. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to kashyap.cs@gmail.com with a copy marked to evoting@nsdl.co.in.
- e. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.**
- f. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny. The result of the voting on the Resolutions at the Meeting shall be announced by the Chairman or any other person authorized by him immediately after the results are declared. The results declared along with the Scrutinizer’s report, will be posted on the website of the Company www.chemcrux.com and on the website of NSDL immediately after the declaration of the result by the Chairman or any person authorised by him and communicated to the Stock Exchanges.



13. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

By order of the Board of Directors
For CHEMCRUX ENTERPRISES LIMITED

Place: Vadodara
Date: 17th August, 2019

Sd/-
Ekta Kumari Srivastava
Company Secretary

Registered Office :
330, TRIVIA Complex
Natubhai Circle, Racecourse
Vadodara - 390007

Annexure - I

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting.
(PURSUANT TO REGULATION 36(3) of THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

Name of Director	Sidhdhi G. Shah
Date of Birth	18/01/1961
Date of Appointment	31/12/1999
Expertise in Specific Functional Area	Management & Administration
Qualifications	B.Sc (Phsio)
Directors in other public limited companies	NIL
Other positions	NIL
Membership of committees in other public limited companies	NIL
Inter relationship	Promoter Group
Shares held in the company	40

**BOARD'S REPORT**

Your Directors have pleasure in presenting the 23rd Board Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March 2019.

1. FINANCIALS:

[Rupees in Lacs]		
PARTICULARS	2018-19	2017-18
Revenue from Operations	5527.31	3146.47
Other Income	49.47	29.52
Total Revenue	5576.78	3175.99
Less: Expenses before Interest and Depreciation	4185.74	2673.55
Less: (a) Interest	28.04	31.09
(b) Depreciation	125.59	67.02
Profit before Tax & Extra Ordinary Items	1237.41	404.33
Less : Prior period expenses	-	-
Less: Prior year's Income Tax Adjustment	2.65	-
Profit Before Tax	1234.76	404.33
Less: Tax Expenses		
Current Tax	385.00	104.11
Deferred Tax	(81.79)	63.89
Profit after Tax	931.55	236.32
Earnings per Share	18.87	4.79

2. KEY FINANCIAL RATIOS :

Sr. No.	Particulars	FY 18-19	FY 17-18	% Change
1	Debtors Turnover Ratio	6.42	5.9	8.81
2	Inventory Turnover Ratio	13.45	10.15	32.51
3	Interest Coverage Ratio	45.13	14.01	222.13
4	Current Ratio	2.22	1.76	26.14
5	Debt Equity Ratio	0.09	0.2	-55.00
6	Operating Profit Margin (%)	24.66	14.98	64.62
7	Net Profit Margin (%)	16.85	7.51	124.37
8	Return on Networth %	39.24	16.38	139.56

The Key financial ratios have strengthened during the previous year FY19 with Operating Profit Margin, Net Profit Margin and Return on Networth improving due to better sales realization, increase in profitability coupled with declining operational costs. The Debtor's and Inventory Turnover ratio has also improved due to better debt realization and better inventory management and stock turnover. The decline in Debt Equity Ratio demonstrates that your Company is less leveraged and operating with minimal borrowed fund.

3. DIVIDEND:

Dividend is recommended by your Board taking into consideration the factors like overall profitability, cash flow, capital requirements and other business needs of your company. With this background, your Board of Directors is pleased to recommend a dividend at Rs. 00.50/- per equity share (5%) on 49,36,280 equity shares of Rs.10/- each of your company. This would result in a total outflow of Rs. 29,75,590/- including the sum of Rs. 5,07,450/-, as dividend tax.

4. OPERATIONAL HIGHLIGHTS:

Your Company's Revenue increased to Rs. 55.77 crore in FY19 as compared to Rs. 31.76 crore in previous year FY18 recording a growth of about 76% (YoY). The Net profit of the Company registered a growth of



CHEMCRUX ENTERPRISES LIMITED



about 294% rising from Rs. 2.36 crore in FY 18 to 9.32 crores in FY 19. Key factors, which can be attributed to higher topline & bottomline growth in FY19 vis-a-vis FY18 are : FY19 had full 12 months operational period vis-à-vis only 10 months in FY18. During the year, production capacity was optimally utilised. The growth in revenue was attributable to increase in production due to full year working, profitable product selection, and better pricing of our niche products which amounted to approx. 20% share in the revenue growth.

Your Company's financial highlights during preceding three years period can be summarized as follows :

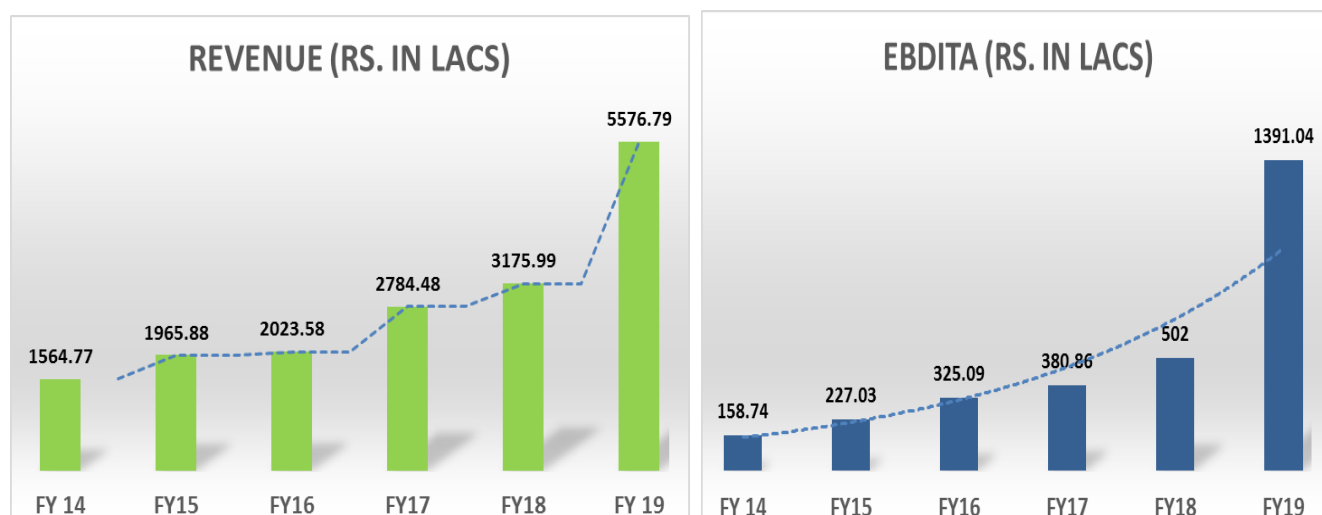
	FY16-17	FY 17-18	FY 18-19	% increase (1 year)	% increase (3 years)	CAGR% (3 years)
Turnover	2784.48	3175.99	5576.79	76	100	26.05
EBDIT	380.07	502.44	1391.04	177	266	54.11
Profit before Tax	285.44	404.33	1234.76	205	333	62.94
Net Profit	149.83	236.32	931.55	294	522	83.88
EPS	5.15	4.79	18.87	294	266	54.17

Net profit increased to Rs. 9.32 crores in FY19 compared to Rs. 2.36 crore during the same period of last year, representing about 294% growth in profits..

EBIDT increased to Rs. 13.91 crores from Rs. 5.02 crore as compared to same period last year recording a growth of about 177%.

Earning per Share increased from Rs. 4.79 per share in the FY 18 to Rs. 18.87 per share in the FY 19 registering a growth of about 294%.

KEY FINANCIALS CHART – GROWTH OVER 6 YEARS PERIOD



Revenue grew from Rs. 15.65 crores to Rs. 55.76 crores registering a growth of 256% and EBDITA increased from Rs. 1.59 crores to Rs. 13.91 crores registering a growth of about 776 % over the period of 6 years.

PAT has risen from Rs. 43.4 Lacs in FY14 to Rs. 9.32 crores and Networth increased from Rs. 8.57 crores in FY16 to Rs. 23.74 crores in FY 19 registering a growth of around 177%.