



Crestchem Limited

CIN : L24100GJ1991PLC015530

**26th
ANNUAL REPORT
2017-2018**



CRESTCHEM LIMITED
CIN : L24100GJ1991PLC015530

Registered Office : Sr. No. 550/1, Sub Plot Number 12, Village Indrad, Taluka – Kadi, District – Mehsana,
Pin Code – 382 715 Tel : (0264) – 278247/09409119484 E-mail : info@crestchemlimited.in
Website : www.crestchemlimited.com

This Request your immediate attention and action. Please do not ignore
Please Contact for any help : +91-9409119484 Email Id : info@crestchemlimited.in

Dear Shareholder (s),

Sub : Updation of PAN, Bank Account, Email and Contact Number in respect of shares held by you in Crestchem Limited, in Physical / Demat form.

As per SEBI has mandated that the PAN and Bank account details to be collected by the Company/RTA. Also as per Section 88 of Companies Act, 2013, The register members is also to be updated with details and in terms of Rule 18 of the Companies (Management & Administration) Rules, 2014, the share holders are to be provided with opportunity to register their email ids and opt for receipts of all communication electronically.

Further, As per the amended provision of SEBI (LODR) Regulation 2015, The Shares are to be traded compulsorily in demat form effective from 05th December, 2018, except in case of transmission and transposition of securities, requests for effecting transfer of securities shall not processed unless the securities are held in dematerialized form. **Kindly take steps for dematerializing the shares at an early date.**

For and on behalf of the Board
Sd/-

Dipak N. Patel
Chairman / Managing Director
(DIN – 02052080)

Place : Indrad (Kadi)
Date : 30th July, 2018

CUT HERE

TO BE FILLED IN BY THE SHARE HOLDER AND RETURNED TO US
PAN DETAILS – PLEASE PROVIDE AND ENCLOSED SELF ATTESTED PAN CARD COPY.

Folio Number/DPID :		Name of the Company : Crestchem Limited									
NAME OF THE HOLDER(s)		INCOME TAX PAN NUMBER									
FIRST											
SECOND											
THIRD											
EMAIL ID :											
CONTACT NUMBER :											
NAME OF THE BANK:											
ADDRESS :											
BANK ACCOUNT NUMBER :											
IFSC CODE :											
MICR/ECS CODE:											

The Above details true to be best of my knowledge and belief. Give my consent to receive the communications from the Company/ RTA electronically through Specified Email ID.
Please post to our registered office address i.e : Sr. No. 550/1, Sub Plot Number 12, Village Indrad, Taluka – Kadi, District – Mehsana, Pin Code – 382 715 or sent on our **Email ID i.e info@crestchemlimited.in**

Signature of the Sole/First Shareholder

CRESTCHEM LIMITED
CIN - L24100GJ1991PLC015530

TWENTY SIXTH ANNUAL REPORT
2017-2018

BOARD OF DIRECTORS Shri Dipak N. Patel - Managing Director (DIN – 02052080)
Shri Nitin Shantilal Shah - Independent Director (DIN – 00027351)
Shri Rajesh I. Mody - Independent Director (DIN – 02054117)
Smt. Binaben Parasbhai Patel - Independent Director (DIN – 07131005)
(Women Director)

BANKERS BANK OF INDIA
BHUJ MERCANTILE CO-OP. BANK
STATE BANK OF INDIA

AUDITORS **M/s. Samir M. Shah & Associates**
Chartered Accountants
Ahmedabad.

FACTORY AND REGISTERED OFFICE Sr. No. 550/1, Sub Plot Number 12, Village
Indrad, Taluka – Kadi, District – Mehsana, Pin Code – 382 715
PHONE NUMBER 02764-278247 /09409119484
EMAIL ID investor@crestchemlimited.in
WEBSITE www.crestchemlimited.in.

SHARE TRANSFER REGISTRAR **LINK INTIME INDIA PRIVATE LIMITED**
506-508, Amarnath Business Centre-1
(ABC-1), Besides Gala Business Centre
Near ST Xavier's College Corner
Off C G Road , Ellisebridge
Ahmedabad - 380006
Telefax No. : 91-79 - 26465179/86/87
Email: ahmedabad@linkintime.co.in

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NOTICE

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

Date	: 29 th September, 2018
Day	: Saturday
Time	: 05.00 p.m.
Place	: Banquet Hall, Hotel Gangotri Palace, Opp. Swastik Ceramic, Beside Sardar Patel Cotton Market, Kadi-Chhatral Road, Kadi-382715, Gujarat

to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts of the Company for the period (12 months) ended on 31st March 2018, and the Director's and Auditor's Reports thereon.
2. To appoint a Director in place of Mr. Rajesh I. Mody (DIN – 02054117) who retires by rotation and being eligible offers himself for re-appointment.
3. 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 Samir M. Shah & Associates Chartered Accountants, (Firm Registration No.-122377W) be and are hereby Reappointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 30th 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 taxes and reimbursement of out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS:

4. 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. Mr. Nitin Shantilal Shah, a non executive director appointed as an additional director who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and the Director being appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing him candidature for the office of Director and also be and is hereby appointed as an Independent Director of the Company, subject to the approval of members in the ensuing Annual General Meeting.
5. To consider and if thought fit to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Sections 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, and the Companies (Appointment and Remuneration of Managing Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in pursuance of recommendation of the Nomination &

Remuneration Committee of the Board of Directors of the Company (including any statutory modifications or re-enactment(s) thereof, for the time being in force), and the Managing Director being reappointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, subject to approval of the members in the Annual General Meeting and such other consents and permission as may be necessary, and subject to such modifications, variations as may be approved and acceptable to the appointee, the consent of the Board of Directors be and is hereby accorded to the reappointment of Mr. Dipak N. Patel as Managing Director of the Company for the period of five years from 01st February, 2018 to 31st January, 2023 and payment of remuneration by way of salary, perquisite, commission and such other terms and conditions as recommended by the Remuneration Committee in its meeting and approved by Board of Directors for the aforesaid period.”

“RESOLVED FURTHER THAT Mr. Dipak N. Patel, Managing Director be paid a monthly salary of Rs. 1,00,000/- per month + Perquisites etc.. w.e.f. 1st February, 2018, with authority to the board of directors to increase the salary up to Rs. 2,00,000/- per month during his tenure as Managing Director.”

“RESOLVED FURTHER THAT the Board or a Committee (Nomination and Remuneration Committee) thereof be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **special resolution**:

“RESOLVED THAT pursuant to Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made there under including any amendment(s), modification(s), replacement(s) or reenactment thereof for the time being in force read with Schedule IV to the Companies Act, 2013, Mr. Rajesh I. Mody (DIN –02054117), Independent Director of the Company, whose term of office as Independent Director expires on 31st March, 2019, and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of Independent Director be and is hereby re-appointed as an Independent Director of the Company (who will not retire by rotation) to hold office, for a second term of 5 (five) consecutive years up to 31 March, 2024.”

By Order of the Board of Directors

Sd/-

Place : Indrad (Kadi)
Date : 30th July, 2018

Dipak N. Patel
Managing Director
(DIN – 02052080)

NOTES :

1. 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.

2. 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.
3. The Register of members and Share transfer book of the Company will remain closed from 23rd September, 2018 to 29th September, 2018 (Both days inclusive).
4. 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.
5. Members/Proxies are requested to bring with them duly filled attendance slip for attending the meeting.
6. 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.
7. Members are requested to intimate the Company's Registrar & Share Transfer Agent at **LINK INTIME INDIA PRIVATE LIMITED** 506-508, Amarnath Business Centre-1,(ABC-1), Besides Gala Business Centre, Near St Xavier's College Corner, Off C G Road, Ellisebridge, Ahmedabad - 380006.. **Telefax No : 91-79-26465179, Email ID : Ahmedabad@linkintime.co.in** in case:
 - (a) 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.
 - (b) Notify immediately the change in their registered address, if any, to the Company.
8. 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. **SEBI has amended the LODR regulations, giving investors time till 5th December, 2018 to switch from physical to demat mode, hence it is in interest of our valuable share holders to follow the same and demat their shares. For any help please contact to Companies' or RTA's addressed and email id, as mentioned above. Those Share holders who have already dematted their share holding but their Email ID etc.. are not updated with respective depository participant (DP) and our Company or RTA, may please do that for receiving all communication including Annual Reports, Notices, Circulars, etc. from the Company electronically.**
12. Voting through electronic means: The Company is pleased to offer remote 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 Regulation 44 of SEBI (LODR) Regulation, 2015, 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.

By Order of the Board of Directors
Sd/-

Place : Indrad (Kadi)
Date : 30th July, 2018

Dipak N. Patel
Managing Director
(DIN – 02052080)

Crestchem Limited

Reg. office : Sr. No. 550/1, Sub Plot Number 12, Village - Indrad,
Taluka – Kadi, District – Mehsana, Pin Code – 382 715.
Phone : +91-02764-278247/9409119484
Email ID: info@crestchemlimited.in
CIN Number : L24100GJ1991PLC015530

CIRCULAR ON PROCEDURE OF E-VOTING

The instructions for shareholders voting electronically are as under: **EVSN - 180817020**

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 26th September, 2018 (9:00 am) and ends on 28th September, 2018 (5:00 pm) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off (record date) of date 22nd September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (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) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

ANNUAL REPORT 2017-2018

- (xi) Click on the EVSN for the relevant 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use Mobile app - "m - Voting" for e voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS**
- i.) The remote e-Voting period commences on 26th September, 2018 (9:00 am) and ends on 28th September, 2018 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cutoff date (record date) of 22nd September, 2018 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 and cast 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 favours 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. 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors

Sd/-

Place : Indrad (Kadi)
Date : 30th July, 2018

Dipak N. Patel
Managing Director
(DIN – 02052080)

Information required under Regulation 36(3) of the SEBI (LODR) Regulation, 2015 with respect to the Directors retiring by rotation and being eligible seeking re-appointment is as under;

Name, Age and Qualification of the Director	Date of Appointment	Expert in functional Area	Names of the Companies in which he holds Directorships and Memberships of committee of the Board.	No of shares held Jointly/ Separately
Mr. Rajesh I. Mody	24th August, 2004	He is having wide business experience in the field of Retailing and marketing in Petroleum Products and other items.	Director in : 1) CRESTCHEM LIMITED Committee Membership : Audit Committee 1) Crestchem Limited - Chairman/Member Nomination/Remuneration Committee 1) Crestchem Limited–Chairman/ Member Shareholders'/Investors Grievances Committee 1) Crestchem Limited –Chairman/Member	-----

Number of Board Meeting attended, Directorship held in other companies and Membership in the various committees is given in the Director's Report and Corporate Governance Report.

ANNEXURE TO THE NOTICE

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 6 of the accompanying notice.

In respect of Item No. 4

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Nitin S. Shah, who was appointed as an additional director of the Company and whose term as an additional director expires at the ensuing Annual General Meeting and in whose favor notice has been received from a member proposing him as a candidate for the office of directors of the company, be appointed as an Independent Director.

Brief Resume of Mr. Nitin S. Shah

Mr. Nitin S. Shah holds a Bachelor's Degree in Commerce, degree of LL.B. He is Associates Member of ICSI. He has a wide experience of in the field of Companies Act, Legal aspects, Listing Agreement and related compliances and general management of the company. In the opinion of the Board, He fulfills the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Director and He is independent of the management. In compliance with the provisions of Section 149 read with Schedule IV to the Act, the appointment of Mr. Nitin S. Shah, as an Independent Director 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. Board Commends ordinary resolution for the item no. 4 of the notice of AGM.

Except Mr. Nitin S. Shah, None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution at Item No.4 of the accompanying Notice.

In respect of Item No. 5

Shri Dipak N. Patel is having a degree in Chemistry in first class and he holds Master of Business Administration (M.B.A.) degree and he has over 39 years of rich experience in chemical and allied industries. Under the active guidance of Mr. Dipak N. Patel the company has successfully developed two new products namely Capric / Caprylic Triglycerides and Lactose Free products, by indigenous technology, the company will benefit from this in subsequent coming years. Shareholders may recall that in the 21st Annual General Meeting held on 30th September, 2013 Shri Dipak N. Patel was reappointed as Managing Director of the Company for a period of 5 years from 1st February, 2013 to 31st January, 2018. The Board of directors in their meeting held on 30th January, 2018 has subject to approval of the members reappointed Shri Dipak N. Patel as Managing Director for period of 5 years i.e. from 1st February, 2018 to 31st January, 2023. The salary has been kept same at Rs. 1,00,000/- per month + Perquisites etc.. w.e.f. 1st February, 2018, with authority to the board of directors to increase the salary up to Rs. 2,00,000/- per month during his tenure as Managing Director. The remuneration committee, at its meeting held on 30th January, 2018, has recommended to the board, the continuation of the services Mr. Dipak N. Patel, Managing Director for a further period of 5 years and has recommended the terms of his re-appointment and remuneration. This was also approved by the board in its meeting held on 30th January, 2018.

The major terms and conditions of his reappointment are as under:

- I. **PERIOD:** For a period of 5 years from 1st February, 2018 to 31st January, 2023.
- II. **REMUNERATION:**
 - A. **SALARY:**
"Mr. Dipak N. Patel, Managing Director be paid a monthly salary of Rs. 1,00,000/- per month + Perquisites etc..

w.e.f. 1st February, 2018, with authority to the board of directors to increase the salary up to Rs. 2,00,000/- per month during his tenure as Managing 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 up to Rs. 15000 p.a.
5. Free use of Company's car for Company's business and free telephone facility at residence. If the MD 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 his family will be available on 2 roundtrip journeys in one block of 4 years within India by A/C first class (for railways) or economy class (for air travel) subject to production of actual expenditure details which has been incurred for travelling anywhere in India.

C. COMMISSION:

The Managing Director shall be entitled to commission at the rate of 1% of the Net Profit of the Company with the overall ceiling laid down under Companies Act, 2013.

The Board of Directors at their discretion may expend the amount of Commission as aforesaid for any financial year towards purchase of Deferred Annuity policy (DAP) from Life Insurance Corporation of India providing for payment of an annuity for a particular number of years and the first annuity payment to commence from the date of his retirement from the Company or from the date of his death whichever shall occur first provided always that no benefit shall accrue to the Managing Director or his dependents as the case may be nor shall he or his dependents be entitled to any benefit or for any right, lien or interest under the aforesaid policies until the date of the payment of annuity.

- III. The Managing Director shall not, so long as he function as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company without the prior approval of the Central Government.
- IV. **DUTIES:** Subject to the superintendence, direction and control of the Board of Directors of the Company, the Managing Director 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 managing Director 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 Managing Director may resign from his office by giving 90 days notice to the Company.
- VI. **COMPENSATION:** In the event of termination of office of Managing Director takes place before the expiration of tenure thereof. Managing Director shall be entitled to receive compensation from the Company for loss of office to the extent and subject to limitation as provided under Companies Act, 2013.

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

Mr. Dipak N. Patel is interested in the resolutions set out in item no. 5 of the notice respectively.

Relatives of Mr. Dipak N. Patel may be deemed to be interested in the resolutions set out in Items No. 5 of the notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

In respect of Item No. 6

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

"RESOLVED THAT pursuant to Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under including any amendment(s), modification(s), replacement(s) or reenactment thereof for the time being in force read with Schedule IV to the Companies Act, 2013, Mr. Rajesh I. Mody (DIN -02054117), Independent Director of the Company, whose term of office as Independent Director expires on 31st March, 2019, and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of Independent Director be and is hereby re-appointed as an Independent Director of the Company (who will not retire by rotation) to hold office, for a second term of 5 (five) consecutive years up to 31 March, 2024." The Members of the Company, at the 22nd Annual General Meeting Item No.4th held on 30th September, 2014 had approved the appointment of Shri Rajesh I. Mody as an Independent Directors of the Company, whose terms are due to expire on 31st March, 2019. He is very experienced in their respective fields and in managing the business affairs, having long association with the Company, actively participative and guiding the board on many occasions.

As per Section 149(10) of the Companies Act, 2013 ("Act"), an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for a second term of up to five consecutive years on the Board of a Company.

In view of the aforesaid provisions of the Act and long association with Company, rich experience, valuable guidance to the management and strong Board performance of said Independent Director, it is proposed to re-appoint them for the second term as an Independent Director on the Board of Director for a period of five consecutive years up to 31st March, 2024.

Notices have been received from two members, signifying their intention proposing Shri Rajesh I. Mody being appointed as Independent Directors of the Company. Their appointment as Independent Directors is also approved and recommended by the Nomination and Remuneration Committee of the Company.

In the opinion of the Board, they fulfill the conditions specified in the Companies Act, 2013, rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as Independent Director of the Company. They are also independent of the management of the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, the Board recommends the Resolutions at Item No. 6 of the accompanying notice for re-appointment of Shri Rajesh I. Mody as Independent Director by passing the special resolution by the members of the Company. The disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided in the notes to this Notice.

Except Shri Rajesh I. Mody, being appointee, none of your Directors or key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise in the resolution as per the item No. 6 of the notice.

The Board commends the special resolutions set out in the item Nos.4 to 6 of the Notice for the approval of shareholders.

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013.

I) GENERAL INFORMATION

1. Nature of Industry : The Company operates in the business of Specialty Chemicals.
2. Date or expected date of commencement of commercial production: The Company was incorporated on 26th April, 1991 and Commencement of Business of Certificate was granted on 23rd September, 1994. The Company has commenced the business since then.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not Applicable
4. Financial performance based on given indicators;
(Rs. In Lacs)

Particulars	FY 2016-17 Standalone	FY 2015-16 Standalone	FY 2014-15 Standalone
Revenue	05.19	3.69	09.48
Profit Before Tax	(22.45)	11.80	68.29
Profit for the period	(19.36)	8.55	61.14

5. Foreign investments or collaborations, if any. Not Applicable.

II) INFORMATION ABOUT THE APPOINTEE:

- (1) Background details: Details of background and education qualification are provided under the notice and in the directors' report;
- (2) Past remuneration 2016-17: Dipak Patel
Salary : Rs.7,50,000/-
- (3) Recognition or awards as given in the brief resume under the notice.
- (4) Job profile and suitability : Shri Dipak N. Patel is having a degree in Chemistry in first class and he holds Master of Business Administration (M.B.A.) degree and he has over 39 years of rich experience in chemical and allied industries. Under the active guidance of Mr. Dipak N. Patel the company has successfully developed two new products namely Capric / Caprylic Triglycerides and Lactose Free products, by indigenous technology, the company will benefit from this in subsequent coming years.
- (5) Remuneration Proposed
Mr. Dipak N. Patel, Managing Director be paid a monthly salary of Rs. 1,00,000/- per month + Perquisites etc.. w.e.f. 1st February, 2018, with authority to the board of directors to increase the salary up to Rs. 2,00,000/- per month during his tenure as Managing Director." As details mentioned in item number 5 in explanatory statement of notice.

- III. OTHER INFORMATION: The losses will go on decreasing in subsequent years. Company will reap good benefits & profits as the full benefits of new products namely Capric / Caprylic Triglycerides and Lactose Free products developed, by indigenous technology, are yet to be felt.
The Company is making all efforts to keep costs under control and to improve market reach whereby better profitability is likely to result.

By Order of the Board of Directors

Sd/-

Place : Indrad (Kadi)
Date : 30th July, 2018

Dipak N. Patel
Managing Director
(DIN - 02052080)

DIRECTOR'S REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the **TWENTY SIXTH ANNUAL REPORT** together with the Audited Accounts of the Company for the period of 12 months ended on 31st March, 2018.

1. FINANCIAL RESULTS

	(` In Lacs)	
	As at 31-03-2018 (12 Months)	As at 31-03-2017 (12 Months)
Operating Profit / (Loss) (before interest and depreciation)	(21.44)	(11.8)
Less : Interest	0.72	4.35
Profit / (Loss) before depreciation	(22.16)	(16.15)
Less : Depreciation	0.29	0.02
Profit / (Loss) before Tax	(22.45)	(16.17)
Less : Current Tax.	0.00	0.00
Deferred Tax	(3.09)	0.00
Profit/(Loss) after Tax	(19.36)	(16.17)
Amount of Profit and Loss A/c brought forward	(205.72)	(189.55)
Amount available for appropriations carried to Balance Sheet	(225.08)	(205.72)

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 Company is making all efforts to bring about a turnaround, by developing and introducing new products. Accordingly, The Company has already developed two new products namely Capric / Caprylic Triglycerides and Lactose Free products, by indigenous technology efforts in the nutritional chemical field. The benefits of its sales and marketing and there by revenue generation is likely to improve substantially in near future. The Company is making all efforts to expand the customer base. The product namely Capric / Caprylic Triglycerides is introduced by the Company in both oil and powder form offering wider choice to the customer.

6. DIRECTORS

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

Mr. Nitin Shantilal Shah, a non executive director appointed as an additional director who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and the Director being appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, be and is hereby appointed as an Independent Director of the Company, subject to the approval of members in the ensuing Annual General Meeting.

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 Companies Act, 2013, the Secretarial Audit report for the financial year ended 31st March, 2018 given by M/S Dhara Shah & Associates, Practicing Company Secretary is annexed as Annexure B to this report.

9. NUMBER OF BOARD MEETINGS

During the year the Board of Directors met five 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:

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- 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, 31st 2018 and of the profit of the Company for that period.
- 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.
- The annual accounts have been prepared on a going concern basis.
- 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 under SEBI (LODR) Regulation, 2015:

- Shri Rajesh I. Mody
- Smt. Binaben Parasbhai Patel
- Shri Nitin Shantilal Shah

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 31st March, 2018 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 2017-2018 are provided in Note 27 to the Financial Statements.

16. DEPOSITS

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

17. FINANCE

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. The Company has adopted Indian Accounting Standards (Ind AS) from 1st April, 2016.

The Loans if any, made by the Company are within limits prescribe limit u/s 186 of the Companies Act, 2013 and No guarantee or security is provided by the Company.

18. AUDITORS

M/s. Samir M. Shah & Associate, Chartered Accountants, will hold office for the period of five consecutive years till the conclusion of 30th Annual General meeting to be held in 2022.

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:

During the previous financial year the Company had in place internal financial control systems as per the general understanding of the same by the company. The same were reviewed and updated from time to time.

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

During the year under Report Securities & Exchange Board of India (SEBI) introduced new listing Regulation, SEBI (LODR) Regulation, 2015 effective from December 1, 2015. The Corporate Governance Report & practices followed by the Company are indicated separately in the Annexure D forming part of this report includes a certificate from the Practicing Company Secretary of the Company, regarding the conditions of corporate governance.

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. Available on company's website (http://www.crestchemlimited.in/index.php?option=com_content&view=article&id=55&Itemid=66).

24. INDUSTRIAL RELATIONS, SAFETY AND ENVIRONMEN

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

25. DETAILS OF DIRECTORS/KMP WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR & LIABLE TO RETIRE BY ROTATION

During the financial year 2017-18 following directors appointed.

Name	Designation	Appointment/Resignation	Date of Appointment/Resignation
Rajesh I. Mody	Independent Director	Retire by Rotation – Eligible for Reappoint	NA

26. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND FORMAL ANNUAL EVALUATION

The policy of the company on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website (http://www.crestchemlimited.in/index.php?option=com_content&view=article&id=55&Itemid=66). There has been no change in the policy since the last fiscal year. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the company.

27. 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 placed in the management of the Company.

27. GENERAL INFORMATION

AGM held during the financial year 2017-2018: 10th August, 2017.
Stock Exchange where the shares of the company are listed: BSE Ltd.
Scrip Code of the Company: 526269

For and on behalf of the Board of Directors

Sd/-

Dipak N. Patel

Chairman / Managing Director
(DIN – 02052080)

Place : Indrad (Kadi)
Date : 30th July, 2018