



Crestchem Limited

CIN : L24100GJ1991PLC015530

**27th
ANNUAL REPORT
2018-2019**

**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.inWebsite : 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. PatelChairman / Managing Director
(DIN – 02052080)

Place : Indrad (Kadi)

Date : 13-08-2019

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 SEVENTH ANNUAL REPORT
2018-2019

BOARD OF DIRECTORS Shri Dipak N. Patel - Managing Director (DIN – 02052080)
Shri Nitinkumar 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 SEVENTH ANNUAL GENERAL MEETING** of the Members of **CRESTCHEM LIMITED** will be held as scheduled below:

Date	: 26 th September, 2019
Day	: Thursday
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 2019, and the Director's and Auditor's Reports thereon.
2. To appoint a Director in place of Mr. Nitin Shantial Shah (DIN – 00027351) 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 next 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."

By Order of the Board of Directors

Sd/-

Place : Indrad (Kadi)
Date : 13-08-2019

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 19th September, 2019 to 26th September, 2019 (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. **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.**
10. **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.**
11. 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 : 13-08-2019

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 190814027

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 23rd September, 2019 (9:00 am) and ends on 25th September, 2019 (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 18th September, 2019 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.
- (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 cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (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 23rd September, 2019 (9:00 am) and ends on 25th September, 2019 (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 18th September, 2019 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.

ANNUAL REPORT 2018-2019

- 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/-

Dipak N. Patel
Managing Director
(DIN – 02052080)

Place : Indrad (Kadi)
Date : 13-08-2019

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. Nitin Shantilal Shah, CS, LLB, B.COM	14th November, 2016	He is having more than 30 years experience in the field of Companies Act, Legal aspects, Listing Agreement and related compliances and general management of the company	Director in : 1) CRESTCHEM LIMITED Committee Membership : Audit Committee 1) Crestchem Limited -Member Nomination/Remuneration Committee 1) Crestchem Limited– Member Shareholders'/Investors Grievances Committee	200

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.

DIRECTOR'S REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the **TWENTY SEVENTH ANNUAL REPORT** together with the Audited Accounts of the Company for the period of 12 months ended on 31st March, 2019.

1. FINANCIAL RESULTS

	(` In Lacs)	
	As at 31-03-2019 (12 Months)	As at 31-03-2018 (12 Months)
Operating Profit / (Loss) (before interest and depreciation)	(14.81)	(21.44)
Less : Interest	0.62	0.72
Profit / (Loss) before depreciation	(15.43)	(22.16)
Less : Depreciation	1.12	0.29
Profit / (Loss) before Tax	(16.55)	(22.45)
Less : Current Tax.	0.00	0.00
Deferred Tax	0.41	(3.09)
Profit/(Loss) after Tax	(16.96)	(19.36)
Amount of Profit and Loss A/c brought forward	(225.08)	(205.72)
Amount available for appropriations carried to Balance Sheet	(242.04)	(225.08)

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 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.

6. DIRECTORS

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

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, 2019 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 2019 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 Shantil 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, 2019 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 2018-2019 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.

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. 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 ENVIRONMENT

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 2018-19 following directors appointed.

Name	Designation	Appointment/Resignation	Date of Appointment/Resignation
Nitin Shantilal Shah	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.

28. GENERAL INFORMATION

1. AGM held during the financial year 2018-2019: 29th September, 2018.
2. Stock Exchange where the shares of the company are listed: BSE Ltd.
3. Scrip Code of the Company: 526269.
4. Since the current volume of business of the Company was not large, hence, the Company has not appointed Internal auditor, Company secretary, Compliance officer and CFO; The Companies capital and turnover is very less, if in future the capital and turnover going to be higher then, the company will appoint Internal auditor, Company secretary, Compliance officer and CFO.
5. The Company has reported that 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.
6. The Company is very actively searching for a suitable Company Secretary for whole time, till than service of practicing company secretary is availed. The Company had already given advertisement in Divya bhashakar, Times of India, Economic Times, Ahmedabad Mirror and also advertisement in ICSI institute, Ahmedabad chapter. Pursuant to responses to our advertisement interviews were held, however suitable full time Company Secretary yet not found. After putting all efforts the company was unable to find suitable candidate for the post of Company Secretary hence, the Company has not been able to file Company Activation form -22A, So Company is a Active- Non Compliant Company and unable to file the various Forms due to Active Non Compliant Company status. BSE has also reminded to employee full time Company Secretary, The Company is making all efforts and is optimistic to identify and employ full time Company Secretary as per needs of the Company shortly.
7. The Company has not reported for monitoring of foreign investments and System Driven Disclosures in Securities Market as the compensation level was found to be very high in comparison to such job, being demanded by the relevant agencies. The Company is trying to get better offers and the work would be awarded to suitable agency/s.

For and on behalf of the Board of Directors
Sd/-

Dipak N. Patel

Chairman / Managing Director (DIN – 02052080)

Place : Indrad (Kadi)

Date : 13-08-2019

ANNEXURE A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development:

Your Company is engaged in the field of Processing / Job working / Manufacturing/trading, of specialty chemical ingredients finding applications as a nutritious (or as an edible additive) raw material. Commercially, at times known as the nutraceutical industry products or as Enteral Nutritional Industry raw materials, Health Food Industry raw material etc. Besides these the Company's products Caprylic / Capric Triglycerides also find uses in Industrial fields and such other uses like personal care products.

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. However, considering all factors the Company has identified two new products, namely Caprylic / Capric Triglycerides and Lactose Free products by indigenous technology efforts which seem promising in generating revenues and profits growth. The Company is making all efforts to expand the customer base. The product namely Caprylic / Capric Triglycerides is introduced by the Company in both oil and powder form offering wider choice to the customer in all industrial fields.

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 field. New products which will be introduced in the subsequent years in branded retail packages and

for industrial uses 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 strives to maintain a professional work environment and emphasizes the qualities of devotion and accuracy in carrying out all activities of the Company.

Business Outlook:

The growth of our Company's business depends upon several factors as discussed above. However, management is optimistic that, shortly time will come in which we will be able to introduce new products 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 31-03-2019**

[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

We 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, 2019, 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:

We 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, 2019 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 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; as amended from time to time;
 - (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;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period).
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
 - (g) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period);
 - (h) The Securities and Exchange Board of India (Buyback of securities) Regulations, 1998; (Not applicable to the Company during the Audit Period);

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.
- (iii) The Listing Agreements entered into by the Company with BSE Ltd read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (with effect from 1st December, 2015)

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.

We 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:

- 1) The Trademarks Act, 1999
- 2) Goods and Services Tax Act, 2017

The Company manufactures / sells chemical products, which are finding use as "Raw Materials and Industrial inputs" in Nutrition and Industrial fields and as such it is not subjected to any specific licensing requirements.