

JIGNESH A. SHAH
Company Secretary and Trademark Attorney

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31/03/2021

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31/03/2021

To,
The Members,
Crestchem Limited

I/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/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the **CRESTCHEM LIMITED** 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/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31/03/2021 mostly/largely complied with the statutory provisions listed hereunder and also that the Company has by enlarge and in general proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/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 **31/03/2021** according to the provisions of:



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- I. The Companies Act, 2013 (the Act) and the rules made there under.
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- III. The Depositories Act, 1996 and the Regulations and Byelaws 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; **(The Company does not have ECB)**
- 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;
 - 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 notified with effect from May 15, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period);**



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- 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.
- VI. Other laws as may be applicable specifically to the company as per **ANNEXURE I**

I HAVE ALSO EXAMINED COMPLIANCE WITH THE APPLICABLE CLAUSES OF THE FOLLOWING:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India (Which is notified w.e.f. 1st July 2015)*.
- b. The Listing Agreements entered by the Company with Bombay Stock Exchange(s) as per revised norms till date.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.



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I further report that

The Board of Directors of the Company is constituted with Executive Directors, Non-Executive Directors and Independent Directors. The Company has 3 Non-Executive Directors and 1 Executive Director Mr. DIPAK NARENDRAPRASAD PATEL**

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

During the year there has been no change in the Directorship.

w.e.f. 01/04/2020, the Company has appointed Ms. KHYATI DIPAKKUMAR VYAS as The Company Secretary and CFO.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in my opinion, adequate systems and processes and control mechanism exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines and general laws like various labour laws, and other laws as stated.



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The Stake Holders are advised to go through the Detailed observations carried out at Annexure II.

PLACE :- AHMEDABAD

Date :- 24/06/2021




CS Jignesh A. Shah

Company Secretary

M. No ACS 21389 COP No. 12140

UDIN :- A021389C000507215

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Company Secretary and Trademark Attorney

ANNEXURE I

Management has identified and confirmed the following laws as specifically applicable to the Company.

- Contract Labour Laws
- Taxation Laws
- GST
- Negotiable Instrument Act
- Indian Contract Act
- Indian Trademarks Act-1999
- And other laws as may be applicable from time to time

During the period under review the Company has generally complied with the material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

*As per Information obtained The Secretarial Standards as issued by The Institute of Company Secretaries of India made applicable with effect from 1st July 2015 and the same is implemented.

** As per information provided to us and as per information available on the portal of MCA the Board of the Company has been constituted with following Directors.

DIN/PAN	Name	Begin date	Designation
<u>00027351</u>	NITINKUMAR SHANTILAL SHAH	14/11/2016	Non-Executive (Independent Director)
<u>02052080</u>	DIPAK NARENDRAPRASAD PATEL	01/02/2008	Managing Director
<u>02054117</u>	RAJESH ISHWARLAL MODY	24/08/2004	Non-Executive (Independent Director)
<u>07131005</u>	BINABEN PARASBHAI PATEL	25/03/2015	Non-Executive (Independent



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Director)

As per MCA Records none of the Director is disqualified under Section 164(2) of CA-2013.
The Board is comprised with optimum combination of Executive and Non-Executive Directors.

PLACE :- AHMEDABAD

Date :- 24/06/2021



Jignesh A. Shah
CS Jignesh A. Shah
Company Secretary

M. No ACS 21389 COP No. 12140

JIGNESH A. SHAH
Company Secretary and Trademark Attorney

ANNEXURE II

To,
The Members
Crestchem Limited

Our report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.



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- The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

PLACE :- AHMEDABAD

Date :- 24/06/2021



CS Jignesh A. Shah

Company Secretary

M. No ACS 21389 COP No. 12140

ANNEXURE III

Observations

Website of the Company

- 1) There is a website of the Company i.e. <https://www.crestchemlimited.in/contact.html>
We have not made detailed study of the same but as per our prima facie observation the same is reflecting the needed information for the benefit of the shareholders at large and the Company has on its website investor relations corner.

Compliance of Clause 6 of LODR Vis-a- Vis Section 203 of CA-2013

- 2) The Company has appointed Mrs. Khyati Dipakkumar Vyas as Company Secretary and Compliance Officer Cum Chief Financial Officer.

MCA Compliances

- 3) The Company can take benefit of the CLFS Scheme and the Company has uploaded form MGT-14, MR-1, MGT-15 on the portal of ROC under the said Scheme and filed Active tagging form after appointment of Company Secretary and Chief Financial Officer.
- 4) The Company has filed the necessary annual fillings with office of Registrar of Companies-Gujarat.

CSR

- 5) The Company is not under the purview of CSR.



Notice Received from Bombay Stock Exchange.

- 6) The Company had received a notice from Bombay Stock Exchange for the late submission of Share Holding Pattern. The same was suitably replied with the penalty /fees levied.

Charge In favour of Bank/Financial Institution.

- 7) As per information there has been no secured loan obtained from any Bank and Financial Institution and none of the property of the Company has been mortgaged or hypothecated in favour of Banks and Financial Institutions. The said information is confirmed through the portal of MCA.

Applicability of Corporate Governance

- 8) As per Clause 15 of SEBI LODR The compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21,22, 23, 24, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of - a listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year.
- 9) Considering the above provisions, The Company has as per details available on MCA, the paid-up Share Capital is Rs. 30000000=00 and the Net worth as calculated under the definition of net worth as per latest audited balance sheet as at 31/03/2021 is less than Rs. 25 Crs. So CG norms are not applicable.

Re-classification of Shares


- 10) At an Annual General Meeting dated 24/12/2020, the Company has obtained approval of members for reclassification of Shares as per Regulation 31A.



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Declaration of Dividend

11) As at FY Ended on 31/03/2020, the Company has not declared the Dividend to the Equity Share Holders.

PLACE :- AHMEDABAD		 CS Jignesh A. Shah Company Secretary M. No ACS 21389 COP No. 12140
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