

9th ANNUAL REPORT

CHD CHEMICALS LIMITED

2020-2021

Corporate Information

BOARD OF DIRECTORS

MS. DIVYA KOTHARI
Mr. ANKIT KOTHARI
Mr. SUBHASH CHANDER
Mr. VIJENDER SINGH
Mr. BAJRANG LAL KEDIA

AUDITORS

MR. ASIM JAIN
CHARTERED ACCOUNTANTS

CHIEF FINANCIAL OFFICER:

KAMAL KUMAR SHAH

SECRETARIAL AUDITOR

M/s. NEERAJ JINDAL & ASSOCIATES

REGISTERED OFFICE

SCF 214, MOTOR MARKET
MANIMAJRA
CHANDIGARH
PHONE: 0172-5070373
Website: www.chdchemicals.com
CIN No.: L24232CH2012PLC034188

CORPORATE OFFICE:

Plot No 331, Industrial Area
Phase II, Panchkula
Haryana

REGISTRARS & TRANSFER AGENT

CAMEO CORPORATE SERVICES LIMITED
SUBMARAMANIAN BUILDING, NO.1
CLUB HOUSE ROAD
TAMIL NADU, CHENNAI
PHONE: 044 -28460390
E-MAIL: CAMEO@CAMEOINDIA.COM

Book Closure: Date: 24th September , 2021 to 30th September , 2021 (both days inclusive).



CHD CHEMICALS LIMITED

NOTICE

NOTICE is hereby given that the 9th Annual General Meeting of the Members of **CHD CHEMICALS LIMITED** will be held on **Thursday, 30th September, 2021 at 12.00 P.M.** through video conferencing ('VC') / other audio visual means ('OAVM') facility, to transact the following business:

ORDINARY BUSINESS

Item No 1: Adoption of the Audited Financial Statements as at 31st March, 2021

To receive, consider and adopt the Audited Balance Sheet as t 31st March, 2021, the Audited Statement of Profit and Loss Account for the year ended on that date, together with Reports of Auditors and Directors thereon.

Item No 2: Appointment of Mr Ankit Kothari as a Director liable to retire by rotation:

To appoint a director in place of Mr Ankit Kothari(Din: 06883692), who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board of Directors

For CHD CHEMICALS LIMITED.

SD/-

DIVYA KOTHARI
Managing Director

DIN – 03592047

Place: Panchkula
Dated: 06th September, 2021

NOTES

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') issued General Circular Nos.14/2020, 17/2020, and 20/2020 dated April 08, 2020, April 13, 2020, and May 05, 2020, respectively and by General Circular No. 02/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") allowed companies whose AGMs were due to be held in the year 2020 or becoming due in the year 2021, to conduct their AGMs on or before December 31, 2021, through VC/OAVM, without the physical presence of the Members at a common venue. The Securities and Exchange Board of India ('SEBI') also issued Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the validity of which has been extended till December 31, 2021 by SEBI, vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 ("SEBI Circulars"). In compliance with MCA Circulars, SEBI Circulars, provisions of the Act and the SEBI Listing Regulations, the AGM of the Company is being conducted through VC/OAVM Facility, which does not require the physical presence of members. The deemed venue for the AGM shall be the Registered Office of the Company.

The facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

2. Members attending the AGM through VC / OAVM shall be counted to reckon the quorum under Section 103 of the Act.

3. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located at SCF 214 Motor Market, Manimajra, Chandigarh which shall be the deemed venue of AGM.

4. Mr. Neeraj Jindal, has been appointed as the Scrutinizer to scrutinize the remote e-voting/e-voting process in a fair and transparent manner. The Scrutinizer will submit the report to the Chairman or any person authorised by him after completion of the scrutiny and the results of voting will be announced after the AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM

5. In compliance with the Circulars, copies of Annual Report for Financial Year 2020-21, the Notice of the AGM and instructions for remote e-voting/ e-voting are being sent in electronic mode to those Shareholders whose email addresses are registered with Registrar/ Depository Participant(s). The copy of Annual Report along with the Notice is also available on Company's website at www.chdchemicals.com and on website of the Stock Exchange at www.bseindia.com

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 at the Meeting.

7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.

8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

9. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

10. Members whose email addresses / Bank details are not registered/updated are requested to register/ update by contacting their respective Depository Participant(s).

11. As required under Listing Regulations and Secretarial Standards-2 on General Meetings details in respect of directors seeking reappointment at the AGM, is separately annexed. Directors seeking re-appointment have furnished requisite declarations under section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.

12. The Register of Members of the Company shall remain closed from the Friday, 24th September, 2021 to Thursday, 30th September, 2021 (both days inclusive).

13. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.

14. At the Fifth AGM held on September 29, 2017 the members approved appointment of R K Deepak & Co, Chartered Accountants (Firm Registration No. 003145N) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the AGM to be held in 2022, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the twenty-fourth AGM.

Instructions for attending the AGM through VC/OAVM:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.

3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.

15. The cut-off date for the purpose of remote e-voting and voting at the AGM shall be Thursday, 23rd September, 2021.

16. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company.

17. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his request to the Company at least 7 days prior to the Meeting so that the required information can be made available at the Meeting.



6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.chdchemicals.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.

7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January, 13, 2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

1. The voting period begins on 27.09.2021 at 9.00 A.M and ends on 29.09.2021 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23.09.2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

3. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

4. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System My easi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e voting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once



securities in demat mode) login through their Depository Participants	you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

5. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

i. The shareholders should log on to the e-voting website www.evotingindia.com.

ii. Click on "Shareholders" module.

iii. 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

iv. Next enter the Image Verification as displayed and Click on Login.

v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

vi. If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.



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. 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.
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6. After entering these details appropriately, click on "SUBMIT" tab.
7. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
8. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
9. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
10. 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.
11. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
12. 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.
13. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
14. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
15. 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.
16. **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - 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 a Compliance User should be created using the admin login and password. The Compliance 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.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@ccichd.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least ___ days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance ___ days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.



CHD CHEMICALS LIMITED

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

22. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.chdhchemicals.com and on website of CDSL e-Voting www.evotingindia.com within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited, where the shares of the Company are listed.

For CHD CHEMICALS LIMITED.
By Order of the Board of Directors

SD/-
DIVYA KOTHARI
MANAGING DIRECTOR
DIN – 03592047

Place: Panchkula
Dated: 06th September, 2021

DIRECTORS' REPORT

Dear Members,

Your Directors take great pleasure in presenting the 9th Annual Report of **CHD CHEMICALS LIMITED** the "Company" on business and operations of the Company along with the audited financial statements of accounts for the financial year ended 31st March 2021.

1. FINANCIAL SUMMARY

The Company's financial performance, for the year ended March 31, 2021 is summarized below:

The Board's Report shall be prepared based on the stand alone financial statements of the company.

Amount in Lacs.

Particulars	2020-21	2019-20
Total Income	6922.92	8655.70
Total Expenditure	6912.44	8583.24
Earnings before Finance Cost, Depreciation & Amortization and Tax	71.53	136.56
Less: Finance Cost	38.09	36.23
Less: Depreciation & Amortization	22.97	27.87
Profit before tax	10.47	72.46
Provision for Tax/ (Deferred tax)	4.92	19.60
Comprehensive Income	5.55	52.85

2. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

- The company is engaged in the business of trading of chemicals and dyes.
- The Total revenue for the Current year is Rs. 6922.92 Lacs in comparison to Last year's revenue i.e. Rs. 8655.70 Lacs
- The Profit in the Current year is Rs. 5.55 Lacs in comparison to Rs. 52.85 Lacs last year's.

During the year under review, there has been no change in the nature of the business of the Company. Further, there were no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

3. MATERIAL CHANGES AND COMMITMENTS

No material changes have occurred between Balance Sheet date and the date on which the financial statement are approved by the Board of Directors.

5. TRANSFER TO GENERAL RESERVES IN TERMS OF SECTION 134(3) (J) OF THE COMPANIES ACT, 2013

No amount has been transferred to the general reserve during the year under review.

6. SHARE CAPITAL

During the Financial Year 2020-21,

Company increased its Share Capital on following occasions:

(i) Authorized Share Capital

No Change in the Authorized capital of the company during the year under review.

(ii) Paid up Share Capital:

No change in the paid up share capital of the company during the year

(iii) ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any shares with differential rights during the year under review. Hence the provisions of Section 43 of the Companies Act, 2013 are not applicable.

(iv) ISSUE OF SWEAT EQUITY SHARE

The Company has not issued any sweat equity shares during the year under review. Hence the provisions of Section 54 of the Companies Act, 2013 are not applicable.

7. DEPOSITS**DETAILS RELATING TO DEPOSITS COVERED UNDER CHAPTER V OF THE ACT**

a	Accepted during the year	:	NIL
b	Remained unpaid or unclaimed as at the end of the year	:	
c	whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so (default), number of such cases	:	



	and the total amount involved		
	i. at the beginning of the year	:	
	ii. maximum during the year	:	
	iii. at the end of the year	:	

DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE ACT

During the Financial Year under review, the Company has not accepted any deposit under Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rule, 2014 as amended from time to time which are not in compliance with the requirements of Chapter V of the Act.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

Mr Ankit Kothari (DIN No 06883692) has been appointed as an additional non executive director of the company with effect from 26.11.2020 and has been regularize in the Annual General Meeting Held on 30th December, 2020

In accordance with Section 152 and other applicable provisions of Companies Act, 2013, Mr Ankit Kothari (DIN No 06883692), being Non-Executive Director, retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. The Board recommends his appointment.

KEY MANAGERIAL PERSONNEL

There is no change in the Key Managerial Personnel of the company during the year under review.

BOARD COMMITTEES

Details of Board committees and term of reference is provided in the "Annexure V" corporate Governance report of the company.

9. BOARD MEETINGS

The details of the Number of Meetings of the Board held during the financial year 2020-21 form part of the Corporate Governance

10. DECLARATION BY INDEPENDENT DIRECTORS

Mr. Vijender Singh and Mr. Bajrang Lal Kedia, Independent Directors of the Company have given their respective declaration as required under Section 149(7) of the Companies Act, 2013 to the effect that they meet the criteria of

independence as provided in Section 149(6) of the Companies Act, 2013 and that they abide by the provisions specified in Schedule IV to the Companies Act, 2013. The Board has, taken on record the declarations received from Mr. Vijender Singh and Mr. Bajrang Lal Kedia.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

a) in the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the annual accounts on a 'going concern' basis;

e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

12. CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 are not applicable.

13. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary

course of business and on an arm's length basis, therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted.

Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large.

Your Directors draw attention of the members to **Note No. 07** in the Accounting Policies to the Financial Statement which sets out related party disclosures as prescribed under Accounting Standard 18.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in "**Annexure - 1**" Form AOC-2 and the same forms part of this report.

14. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

In accordance with Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee has formulated Remuneration Policy ("the policy"). The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a director.

15. STATUTORY AUDITORS

At the Fifth AGM held on September 29, 2017 the Members approved appointment of R K Deepak & Co, Chartered Accountants (Firm Registration No. 003145N) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the AGM to be held in 2022, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing

AGM and a note in respect of same has been included in the Notice for this AGM.

16. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualification, reservation or adverse remark made by the statutory Auditor in their report.

Secretarial Auditor in his Secretarial made the following qualifications

a) Since 2017-18 Company did not File Charge with Registrar of Company for a Vehicle Purchased worth Rs 5,43,000 from Mahindra & Mahindra Financial Services Limited secured by the Hypothecation of the vehicle purchased.

(b) Since 2017-18 company did not File Charge with Registrar of Company for a Vehicle Purchased worth Rs 25,00,000 from ICICI Bank Limited secured by the Hypothecation of the vehicle purchased.

Company was not able to file the form as the required documents was not received by the company from the bank and institution.

17. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Company has not granted any loans and made investments, or given guarantees or provided securities to other bodies corporate under the provisions of Section 186 the Companies Act, 2013.

18. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March, 2021 made under the provisions of Section 92 (3) of the Act in Form MGT -9 is annexed herewith as **Annexure II**.

19. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were



required to be transferred to Investor Education and Protection Fund (IEPF) during the financial year 2020-21

20. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

21. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS PURSUANT TO RULE 8 (5) (viii) OF COMPANIES (ACCOUNTS) RULES, 2014

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company has a strong monitoring and reporting process resulting in financial discipline and accountability.

22. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to Section 197(12) read with Rule, 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the "Annexure-IV" of the Annual Report.

The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

23. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has duly set up an Internal Complaints Committee (ICC) in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment. The following is a summary of sexual harassment complaints received and disposed off during the year 2020-21.

No of complaints received	:	Nil
No of complaints disposed off:		Nil

24. CONSERVATION OF ENERGY, TECHNOLOGY

ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure "III"**

25. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations.

Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

26. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has established a vigil mechanism, through a Whistle Blower Policy, where Directors and employees can voice their genuine concerns or grievances about any unethical or unacceptable business practice. A whistle-blowing mechanism not only helps the Company in detection of fraud, but is also used as a corporate governance tool leading to prevention and deterrence of misconduct. It provides direct access to the employees of the Company to approach the CFO of the company or the Chairman of the Audit Committee, where necessary. The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment or victimization.

27. SECRETARIAL AUDIT REPORT

The Company has appointed Neeraj Jindal & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014. The Report of the Secretarial Auditor is annexed to the Board's Report as Annexure 'A'.

28. BOARD EVALUATION



Pursuant to applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had adopted a formal mechanism for evaluating its own performance and as well as that of its Committees and individual Directors, including the Chairperson of the Board.

29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the SEBI (LORD) 2015, is presented in **Annexure VI** and the same is for the part of this report.

30. BUSINESS RESPONSIBILITY REPORT (BRR)

The Board of Directors of the Company hereby confirms that, according to the provisions of Regulation 34(2)(f) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015, the give report on Business Responsibility Report (BRR) is not mandatorily applicable to our company, hence not annexed with Annual Report.

31. DISCLOSURE IN RESPECT OF SCHEME FORMULATED UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013

Since the Company has not formulated any scheme in terms of Section 67(3) of the Companies Act, 2013, therefore no disclosures are required to be made.

32. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

There has been no subsidiary/Associate/Joint Venture incorporated/ceased of your company during the financial year 2020-21

33. DISCLOSURES PURSUANT TO SECTION 197(14) OF THE COMPANIES ACT, 2013:

No disclosure under section 197(14) of the Companies Act, 2013 is required. Company has no Holding or Subsidiary company as on 31st March, 2021.

34. Dividend

During the year under review, the Board of Directors of the Company at their meeting held on 3rd October, 2020, declared an Interim Dividend of Rs. 0.15 per equity share of the face value of Rs.10 (Rupee ten only) each.

The total dividend payout for the FY 2020-21 amounting to Rs. 1516362 (Rupees fifteen Lakh Sixteen Thousand three hundred and Sixty Two rupees only)

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source

34. SHARES IN SUSPENSE ACCOUNT

There are no shares lying in suspense account

35. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed there under.

36. STATEMENT OF DEVIATION OR VARIATION

Pursuant to Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, there is no deviation or variation in the use of proceeds

37. ACKNOWLEDGEMENT

The Board of Directors acknowledges with gratitude the co-operation and assistance provided to your company by its bankers, financial institutions, government and other agencies. Your Directors thank the customers, vendors and other business associates for their continued support in the company's growth.

For and on behalf of Board of Directors

SD/-

Divya Kothari
Managing Director
DIN – 03592047

SD/-

Ankit Kothari
Director
DIN -06883692

Place: Panchkula

Dated: 06th September, 2021

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2021

[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,

The CHD CHEMICALS LIMITED.

R/o: 214 MOTOR MARKET MANIMAJRA, CHANDIGARH

C/o: PLOT NO 331, INDUSTRIAL AREA,

PHASE II, PANCHKULA, HR. - 134113.

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by "**CHD CHEMICAL LIMITED**" (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities 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, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent and subject to the reporting made hereinafter:

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management including Key Managerial Personnel's (KMP) and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon.

We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2021, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (to the extent applicable to the Company);

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under restricted to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;

(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) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) 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;

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;

(e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(vi) As we have been given to understand that considering activities, there is no specific regulator subject to whose approval company can carry on / continue business operation. We have also in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws (in addition to the above mentioned Laws (i to v) as applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations/ Guidelines as covered under MR-3

(a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(c) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

(d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has substantially complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observation(s):

a) Since 2017-18 Company did not File Charge with Registrar of Company for a Vehicle Purchased worth Rs 5,43,000 from Mahindra & Mahindra Financial Services Limited secured by the Hypothecation of the vehicle purchased.

(b) Since 2017-18 company did not File Charge with Registrar of Company for a Vehicle Purchased worth Rs 25,00,000 from ICICI Bank Limited secured by the Hypothecation of the vehicle purchased.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

We also report that adequate notice was 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 reasonable system exists for Board Members 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 and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, the Company has not undertaken any major event / action having a material bearing on the Company's statutory compliance and affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Other Matters

Due to COVID-19 pandemic and the lockdown and other restrictions imposed by the Government and local administration, the audit processes were carried out based on the remote access to the extent available/feasible and necessary records made available by management through digital means.

Note: This Report is to be read along with attached Letter provided as “**Annexure - A**”
For Neeraj Jindal & Associates
Company Secretaries

Date: 03.09.2021
Place: Chandigarh.

CS. Neeraj Jindal
M.No. F8270
CP. No. 9056
UDIN: F008270C000887049

‘ANNEXURE A’

**To
The Members,
The CHD CHEMICALS LIMITED.
SCF 214, MOTOR MARKET
MANIMAJRA, CHANDIGARH – 160101.**

Sub: Our Report of even date is to be read along with this letter.

Dear Sir / Madam,

1. 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.
2. 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 (by verifying records as was made available to us) 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and we rely on Auditors Independent Assessment on the same.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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 process followed by Company to ensure adequate Compliance.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Neeraj Jindal & Associates
Company Secretaries**

**Date: 03.09.2021
Place: CHANDIGARH**

**SD/-
CS. Neeraj Jindal
M.No. F8270
CP. No. 9056
UDIN: F008270C000887049**

Annexure – I
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	<p style="text-align: center;">NOT REQUIRED AS THERE ARE NO TRANSACTIONS FALLING UNDER THIS SECTION</p>
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	SATVEER KOTHARI FATHER OF MANAGING DIRECTOR
b)	Nature of contracts/arrangements/transaction	SALARY
c)	Duration of the contracts/arrangements/transaction	FIVE YEAR W.E.F 01.08.2019
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	EMPLOYMENT AGREEMENT FOR FIVE YEAR.
e)	Date of approval by the Board	30.05.2019
f)	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	ANKIT KOTHARI BROTHER OF MANAGING DIRECTOR
b)	Nature of contracts/arrangements/transaction	GUEST HOUSE AGREEMENT
c)	Duration of the contracts/arrangements/transaction	11 MONTHS
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	GUEST HOUSE TAKEN ON RENT FROM MR ANKIT KOTHARI
e)	Date of approval by the Board	15.06.2020
f)	Amount paid as advances, if any	NIL

FOR CHD CHEMICALS LIMITED

SD/-

Divya Kothari
Managing Director
DIN – 03592047

SD/-

Ankit Kothari
Director
DIN -06883692

Annexure II

DIRECTORS' REPORT (CONTD)

ANNEXURE II TO DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31st, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

Sl. No.	Particulars	Details
1.	Corporate Identification Number	L24232CH2012PLC034188
2.	Registration Date	05-11-2012.
3	Name of the Company	CHD CHEMICALS LIMITED
4	Category / Sub-Category of the Company	PUBLIC COMPANY LIMITED BY SHARES
5	Address of the Registered office and contact details	SCF 214, MOTOR MARKET, MANIMAJRA CHANDIGARH CONTACT:- 0172-5070373
5	Address of the Corporate office	PLOT NO 331, INDUSTRIAL AREA, PHASE II, PANCHKULA, HARYANA
6	Whether listed company	YES
7.	Name, Address and contract details of the Registrar and Transfer Agent, if any	CAMEO CORPORATE SERVICES LIMITED SUBRAMANIAN BUILDING, NO.1 CLUB HOUSE ROAD TAMIL NADU, CHENNAI PHONE: 044 -28460390

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated.

As per Attachment A

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

As per Attachment B

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)

i) Category-wise Share Holding

As per Attachment C

ii) Shareholding of Promoters

As per Attachment D

iii) Change in Promoters' Shareholding (Specify if there is no change)

As per Attachment E

iv) Shareholding Pattern of top ten Shareholders (other than Directors, and Promoters and holders of GDRs and ADRs)

As per Attachment F

v) Shareholding of Directors and Key Managerial Personnel

As per Attachment G

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

As per Attachment H

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager As per attachment I
 B. Remuneration to other directors As per Attachment J
 C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD As per Attachment K
 VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES As per Attachment L

ATTACHMENT A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are given below:

Sl. No.	Name and Description of main products/services	NIC Code of the product/service *	% to total turnover of the company #
1.	Whole sale of Industrial Chemicals	5149	100%

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

On the basis of Gross Turnover

ATTACHMENT B

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary /Associate	% of Shares held*	Applicable Section
			NIL			

ATTACHMENT C

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

i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a)Individual/HUF	2036636	0	2036636	20.15%	2036636	0	2036636	20.15%	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s).	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB - TOTAL (A) (1)	2036636	0	2036636	20.15%	2036636	0	2036636	20.15%	0.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB - TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
TOTAL SHAREHOLDING OF PROMOTER (A) = (A)(1)+ (A)(2)	2036636	0	2036636	20.15%	2036636	0	2036636	20.15%	0.00
B PUBLIC SHAREHOLDING									
1 Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	20131	0	20131	0.19%	0.19%
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00

f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others specify MARKET MAKER	0	0	0	0.00	0	0	0	0.00	0.00
SUB - TOTAL (B) (1)	0	0	0	0.00	20131	0	20131	0.19%	0.19%
2. Non-institutions									
a) Bodies Corporate									
i) Indian	2519647	0	2519647	24.92%	1300530	0	1300530	12.86%	-12.05%
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
I) Individual shareholders holding nominal share capital up to Rs. 1 lakh	381384	-	381384	3.77	4065294	0	4065294	40.21	+36.44%
II) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	4832584	167181	4999765	49.458%	2417191	40954	2458145	24.32%	25.14%
c) Others specify									
HUF	75846	94499	170345	1.68%	132058	68636	200694	1.98	+0.3%
NRI	1005	0	1005	0.009%	16428	0	16428	0.16	+0.15%
Clearing Members	298	0	298	0.002%	11222	0	11222	0.11	+0.11%
SUB - TOTAL (B) (2)	7810764	261680	8072444	79.85%	7942723	109590	8052313	79.65%	-0.19%
TOTAL PUBLIC SHAREHOLDING (B) = (B)(1) + (B)(2)	7810764	261680	8072444	79.85	7962854	109590	8072444	79.85%	0.00%
C. SHARES HELD BY CUSTODIAN FOR GDRS& ADRS	0	0	0	0	0	0	0	0	0
GRANDTOTAL (A+B+C) 1	9847400	261680	10109080	100%	9999490	109590	10109080	100%	NA

ATTACHMENT D

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2020)			Shareholding at the end of the year (As on 31-03-2021)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1.	Divya Kothari	2036636	20.15%	0	2036636	20.15%		
	Total	2036636	20.15%	0	2036636	20.15%		

ATTACHMENT E

(iii) Change in Promoters' Shareholding

Sl. No.	Name	Shareholding at the beginning of the year (As on 01-04-2019)/ at the end of the year 31.03.2020					Cumulative Shareholding at the beginning of the year (As on 01-04-2019)/ at the end of the year 31.03.2020	
		No. of Shares	% of total Shares of the Company	Date	Increase / Decrease in Promoters Shareholding	Reason	No. of Shares	% of total Shares of the Company
1.	Divya Kothari	2036636	20.15%	01.04.2020		NIL	2036636	20.15%
		2036636	20.15%	31.03.2021			2036636	20.15%

ATTACHMENT F
iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the top ten Shareholders	Shareholding at the beginning of the Year 01.04.2020/ at the end of the year 31.03.2021		Shareholding during the year (01-04-20 to 31-03-21)			Cumulative Shareholding during the year (01-04-20 to 31-03-21)	
		No. of Shares	% of total Shares of the company	Date	Increase/ Decrease In Shareholding	Reason	No. of Shares	% of total Shares of the compa
1.	NARESH PAWARIYA	316681	3.13%	03.07.2020	-25000	Sell in Market	291681	2.88%
				10.07.2020	-10000	Sell in Market	281681	2.79%
				11.09.2020	-25000	Sell in Market	256681	2.53%
				18.09.2020	-225000	Sell in Market	31681	0.31%
				22.01.2021	-31681	Sell in Market	0	0
		0	0	31.03.2021				
2.	JAGDISH PRASAD ARYA	271000	2.68%	26.06.2020	-5000	Sell in Market	266000	2.63%
				30.06.2020	-25000	Sell in Market	241000	2.38%
				03.07.2020	-20000	Sell in Market	221000	2.18%
				10.07.2020	-221000	Sell in Market	0	0
		0	0	31.03.2021				
3.	KAPIL KUMAR KOTHARI	134227	1.33%	05.01.2021	-20000	Sell in Market	114227	1.13%
					-25000	Sell in Market	89227	0.88%
					-75000	Sell in Market	14227	0.14%
		14227	0.14%	31.03.2021				
4.	REENA SHARMA	306456	3.03%	26.06.2020	-256724		49732	0.49%
				30.06.2020	-17446	Purchase from Market	32286	0.32%
				03.07.2020	-7892	Sell in Market	24394	0.24%
				10.07.2020	39669	Purchase from Market	64063	063%



				17.07.2020	730	Purchase from Market	64793	0.64%
				28.08.2020	-62293	Sell in Market	2500	0.02%
				25.09.2020	72505	Purchase from Market	75005	0.74%
				30.09.2020	-60005	Sell in Market	15000	0.14%
				09.10.2020	-15000	Sell in Market	0	0
		0	0	31.03.2021				
		303956	3.00%	31.03.2020			303956	3.00%
5.	AJAY BANSAL	181000	1.79%	30.06.2020	-10000	Sell in Market	171000	1.69%
				03.07.2020	-5000	Sell in Market	166000	1.64%
				10.07.2020	-160000	Sell in Market	6000	0.06%
				08.01.2021	-6000	Sell in Market	0	
		0	0	31.03.2021				
6.	KOTHARI TRADE INVESTMENTS PVT LTD.	1301000	12.87%	08.05.2020	50	Purchase from Market	1301050	12.87%
				12.06.2020	5	Purchase from Market	1301055	12.87%
				30.06.2020	-35000	Sell in Market	1266055	12.52%
				03.07.2020	-60000	Sell in Market	1206055	11.93%
				10.07.2020	-30000	Sell in Market	1176055	11.63%
				17.07.2020	22748	Purchase from Market	1198803	11.85%
				28.08.2020	-80000	Sell in Market	1118803	11.06%
				04.09.2020	-120000	Sell in Market	99803	9.88%

				11.09.2020	-63000	Sell in Market	935803	9.25%
				18.09.2020	-42500	Sell in Market	893303	8.83%
				30.09.2020	-150000	Sell in Market	743303	7.35%
				09.10.2020	-25	Sell in Market	743278	7.35%
				04.12.2020	-743278	Sell in Market	0	0
		0	0	31.03.2021				
7.	ANKIT TRADE & INVESTMENT PRIVATE LIMITED	1200000	11.87%	01.04.2020			1200000	11.87%
		1200000	11.87%	31.03.2021			1200000	11.87%
8.	KITABWATI KOTHARI	200000	1.98%	01.04.2020			200000	1.98%
		200000	1.98%	31.03.2021			200000	1.98%
9.	DHARMENDRA CHOUDHARY	150000	1.48%	30.06.2020	-5	Purchase from Market	149995	1.48%
				03.07.2020	-35000	Sell in Market	114995	1.13%
				10.07.2020	-10000	Sell in Market	104995	1.03%
				08.01.2021	-104995	Sell in Market	0	0
				08.01.2021	54995	Purchase from	54995	0.54%
				15.01.2021	-50000	Sell in Market	4995	0.05%
		4995	0.049%	31.03.2021				
10.	KULDEEP	182727	1.80%	03.07.2020	-50	Sell in Market	182677	1.80
				10.07.2020	-60000	Sell in Market	122677	1.21
				01.12.2020	-122677	Sell in Market	0	0
		0	0	31.03.2021				

DIRECTORS' REPORT (CONTD)
ATTACHMENT G
v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the Year 01.04.2020/ end of the year 31.03.2021		Shareholding during the year (01-04-2020 to 31-03-2021)			Cumulative Shareholding during the year (01-04-2020 to 31-03-2021)	
		No. of Shares	% of total Shares of the company	Date	Increase/ Decrease In Shareholding	Reason	No. of Shares	% of total Shares of the
1.	DIVYA KOTHARI MANAGING DIRECTOR	2036636	20.15%				2036636	20.15%
		2036636	20.15%				2036636	20.15%
2.	ANKIT KOTHARI DIRECTOR	718090	7.10%				718090	7.10%
		718090	7.10	31.03.2021			718090	7.10%
3.	INDER SINGH DIRECTOR	114545	1.13%	25.09.2020	-45000	SELL IN OPEN MARKET	69545	0.69%
		114545	1.13%	30.10.2020	-69500	SELL IN OPEN MARKET	45	0.0004%
		45	0.0004%	31.03.2021				
4.	KAMAL KUMAR SHAH CHIEF FINANCIAL OFFICER	85909	0.85%	01.04.2020			85909	0.85%
				25.09.2020	-25000	SELL IN OPEN MARKET	60909	0.60%
				22.01.2021	-5000	SELL IN OPEN MARKET	55909	0.55
		55909	0.55%	31.03.2021				
5.	BAJRANG LAL KEDIA INDEPENDENT DIRECTOR	24545	0.24%	03.02.2021	-24545	SHARE TRASFER	24545	-0.24%
		nil						

ATTACHMENT H

V. INDEBTENDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	<i>Amount (INR)</i>			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2020)				
i) Principal Amount	89,28,430.43	98,00,000.00	0.00	1,87,28,430.43
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
TOTAL (i+ii+iii)	89,28,430.43	98,00,000.00	0.00	1,87,28,430.43
Change in Indebtedness during the financial year				
Addition	3,18,14,630.57	1,17,45,000.00	0.00	4,35,59,630.57
Reduction	0.00	0.00	0.00	0.00
Net Change	3,18,14,630.57	1,17,45,000.00	0.00	4,35,59,630.57
Indebtedness at the end of the financial year (31.03.2021)				
i) Principal Amount	4,07,43,061.00	2,15,45,000.00	0.00	62,288,061.00
ii) Interest due but not paid -	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
TOTAL (i+ii+iii)	4,07,43,061.00	2,15,45,000.00	0.00	62,288,061.00

ATTACHMENT I
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTM/Manager			
		DIVYA KOTHARI MANAGING DIRECTOR			Total Amount in Rs.
1.	Gross salary	550000			550000
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961				
	(b) Value of perquisite u/s 17(2) of the Income Tax 1961	0			0
	(c) Profits in lieu of Salary under Section 17(3) of the Income-tax Act, 1961	0			0
2.	Stock Option	0			0
3.	Sweat Equity	0			0
4.	Commission - as % of profit - as others, specify	0			0
5	Others, please specify	0			0
	TOTAL (A)	550000			550000
	Ceiling as per the Act	(Remuneration as per the provisions of Section II, Table A of Schedule V of the Companies Act, 2013 approved by members)			

ATTACHMENT J

B. Remuneration to other Directors: NIL

Sl. No.	Particulars of Remuneration	Name of Directors				
		Subhash Chander	Inder Singh	Bajrang Lal Kedia	Vijender Singh	(Amt. in Rs.) Total Amount
1.	Independent Directors					
	Fee for attending board / committee meetings		0.00	55000	91000	57000
	Commission		0.00	0.00	0.00	0.00
	Others, please specify		0.00	0.00	0.00	0.00
	TOTAL (1)		0.00	55000	48000	103000
2.	Other Non-Executive Directors					
	Fee for attending board / committee meetings	9000	12000	0.00	0.00	21000
	Commission		0.00	0.00	0.00	0.00
	Others, please specify		0.00	0.00	0.00	0.00
	TOTAL (2)	9000	12000	0.00	0.00	21000
	TOTAL (B)=(1+2)		124000			
	TOTAL MANAGERIAL REMUNERATION*		550000			
	Overall Ceiling as per the Act					

* Total remuneration to Managing Director, Whole-Time Directors and other Directors (being the total of A and B).

ATTACHMENT K

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration	COMPANY SECRETARY HARSIMRAN JIT KAUR	CFO KAMAL KUMAR SHAH	Amount in Rs. Total Amount
1.	Gross salary	412000	825000	1237000
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			
	(b) Value of perquisites u/s 17 (2) of the Income Tax Act, 1961			
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others			
5.	Others – please specify Bonus Ex Gratia Incentive			
	Total	412000	825000	1237000

ATTACHMENT L

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty /punishment /compounding fees imposed	Authority (RD/ NCLT/ COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		
B. DIRECTORS					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		
C. OTHER OFFICERS IN DEFAULT					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		

Annexure "III" to Directors' Report for the year ended 31st March, 2021**Particulars required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014****[A] CONSERVATION OF ENERGY:**

(a) Energy Conservation Measures Taken:

Energy utilisation is primarily for domestic use and assembly activities which is optimised and further steps are being taken by management to emphasise on conservation of energy with all employees.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy: **NIL**

(c) Impact of the measures at (a) & (b) above for reduction of energy consumption & consequent impact on the cost of production of goods: **NIL**

(d) Steps taken by company to use alternate source of energy, if any: **NIL**

(e) Capital investment on energy conservation equipments: **NIL**

(f) Power and Fuel Consumption: **N.A**

	Current Year	Previous Year
--	--------------	---------------

Electricity:

Purchased
Unit (million)
Total Amount
(Rs.million)
Rate/Unit

Furnace Oil:

Purchased
Unit (million)
Qty (Kilo Ltrs)
Total Amount (Rs.
Millions)
Rate/Unit

[B] TECHNOLOGY ABSORPTION: (N.A)**[C] RESEARCH & DEVELOPMENT: (N.A)**

a. Specific areas in which R & D was carried out by the Company: **(N.A)**

b. Benefits derived as a result of the above R & D: **(N.A)**

Expenditure on R&D: (N.A)	Current Year (Rs. Lakhs)	Previous Year (Rs.Lakhs)
-------------------------------------	--------------------------------	-----------------------------

- a) Capital
b) Recurring
c) Total
d) Total as % of
Turnover
Rate/Unit

(D) FOREIGN EXCHANGE EARNINGS AND OUTGO: NIL

Details of earnings in foreign exchange: nil

Particulars	Current Year 01.04.20- 31.03.21	Previous Year 01.04.19- 31.03.20
Export of Goods calculated on FOB Basis		
Interest and dividend		
Royalty		
Know-how	NIL	NIL
Professional and Consultancy fees		
Other Income		
Total earning in foreign exchange		

Details of expenditure in foreign exchange: nil

Particulars	Current Year 01.04.20- 31.03.21	Previous Year 01.04.19- 31.03.20
Import of Capital Goods calculated on CIF Basis:		
(i) raw material		
(ii) component and spare parts		
(iii) capital goods – Software Purchase		
Expenditure on account of:	NIL	NIL
Royalty		
Know-how		
Professional and Consultancy fees		
Interest		
Other matters		
Dividend paid		
Total expenditure in foreign exchange		

“ANNEXURE-IV”
DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION
197(12) OF THE COMPANIES ACT 2013

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (1) Ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year;**

S.No	Name of Directors	Remuneration	% Increase in Remuneration	Ratio of remuneration of each Director/ to Median remuneration of employees
1	Divya Kothari (Managing Director)*	550000	NA	1.12
2	Inder Singh (Director)	NIL	NIL	NIL
3	Subhash Chander (Director)	NIL	NIL	NIL
4	Ankit Kothari (Director)	NIL	NIL	NIL
5	Vijender Singh (Independent Director)	NIL	NIL	NIL
6	Bajrang Lal Kedia (Independent Director)	NIL	NIL	NIL

- (2) The median remuneration of employees of the Company during the financial year** was Rs. 4,90,000/-

- (4) The number of permanent employees on the rolls of company as on 31st March, 2021** was 11.

- (3) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

S.No	Name of Directors	Designation	Remuneration	% Increase in Remuneration
1.	Divya Kothari	Managing Director	550000	No change *
2.	Kamal kumar Shah	CFO	825000	No change *
3.	Harsimran Jit Kaur	Company Secretary	412000	53%**

* during the to Covid 19 Half salary for two months was given to the all employees and KMP's due to the complete lockdown all over the nation.

** half salary for two months has been given during the complete lockdown in india .

- (5) Relationship between average increase in remuneration and company performance:**

Profit Before Tax decreased by 85.55% and Profit After Tax decreased by 89.5% in the financial year 2020-21, compared to profit in previous financial year. The average increase of 16.66% in the median remuneration of the comparable employees during the financial year. During the year no of employees has been reduced from 17 to 11. Due to COvid 19, seven employees left the job and one employee has been recruit during the year. This change of no of employees has increase the average remuneration of the employees.

- (6) The percentage increase in median remuneration of employees in the financial year:**

Median remuneration of employees during the financial year 2020-2021 was 4,90,000 as compared to 420000 previous financial year. Due to COvid 19, seven

employees left the job and one employee has been recruit during the year. This change of no of employees has increase the average remuneration of the employees.

The payment of managerial remuneration was as per the remuneration approved by the shareholders of the Company and within the limit specified under the Companies Act 2013.

(7) Variations in the market capitalization of the Company:

(a) The market capitalization as on March 31, 2021 was Rs. 1708.43 Lacs .

(b) Price Earnings ratio of the Company was 67.60 as at March 31, 2020 and as on March 31, 2021 it was 338

Closing date of Financial Year	Issued Capital (shares)	Closing Market Price Per Shares	EPS	PE Ratio	Mrket Capitaliza tion (Rs Lacs)
31.03.2020	10109080	35.15	0.52	67.60	3553.34
31.03.2021	10109080	16.9	0.05	338	1708.43
Increase/ Decrease	0.00	-18.25	-0.47	270.4	-1844.91
% Increase/ Decrease	0.00	-51.92%	-90.38%	400%	-51.92%

(8) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

The total remuneration of Key Managerial Personnel (KMPs) s in the Financial Year 2020-21 was 12.92 Lakhs . where as the Profit Before Tax decreased by 85.55% and Profit After Tax decreased by 89.5% in the financial year 2020-21

(9) Comparison of average percentile increase in the salaries of employees other than the managerial personnel and managerial personnel:

Average percentile decrease in the salaries of employees in the Financial Year 2020-21 other than the MD & CEO was 3.36% and the salary of MD is fixed so there is no change in the percentile of MD remuneration.

The above decrease in the salaries of employees was because of covid 19 half salary was given for two months as there was nation wide lockdown and no of

employees also reduced substantially during the financial year 2020-21

(10) Comparison of each remuneration of key Managerial Personnel against the performance of the company:

S.no	Name of KMP	Remuneration	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Divya Kothari	550000	during the Covid 19 Half salary for two months was given to the KMP's due to the complete lockdown all over the nation. But only salary of Company secretary was increased after lockdown where as the Profit Before Tax decreased by 85.55% and Profit After Tax decreased by 89.5% in the financial year 2020-21 due to Covid 19
2.	Kamal Kumar Shah	825000	
3.	Harsimran Jit Kaur	412000	

(11) The key parameters for the variable component of remuneration availed by the directors :

There is no variable component of remuneration availed by the directors of the company. Directors of the company received fixed remuneration during the year under review.

(12) Ratio of Remuneration of the highest paid director to that of employees who are not director but receive remuneration in excess of the highest paid director during the year: 1:2

(13) Remuneration is as per the remuneration policy of the company.

ANNEXURE V CORPORATE GOVERNANCE

Our company stands committed to good corporate governance practices based on the principle such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting.

The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under Law.

Our corporate governance philosophy is based on the following principles:

- ❖ Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.
- ❖ Be transparent and maintain a high degree of disclosure levels. When in doubt, disclose.
- ❖ Make a clear distinction between personal conveniences and corporate resources.
- ❖ Communicate externally, in a truthful manner, about how the Company is run internally.
- ❖ Have a simple and transparent corporate structure driven solely by business needs.
- ❖ The Management is the trustee of the shareholders' capital and not the owner.

The Company believes that corporate governance is about creating organizations that succeed in the marketplace with the right approach and values. This will enhance the value for all its stakeholders.

(1) BOARD OF DIRECTORS

COMPOSITION OF THE BOARD

- A) The Board of Directors of the Company (Board) has optimum combination of Executive and Non Executive Directors

The following is the Composition of the Board as at 31st March, 2021:

Category	Name of the Directors	Designation	No of Shares held
Promoter	Divya Kothari	Managing Director	2036636
	Ankit Kothari	Director	718090
	Subhash Chander	Director	NIL
Independent Director	Bajrang Lal Kedia	Director	NIL
	Vijender Singh	Director	NIL

(b) NO. OF BOARD MEETING HELD AND DATES

1	15.06.2020
2	26.06.2020
3	30.06.2020
4	04.09.2020
5	08.09.2020
6	03.10.2020

7	05.10.2020
8	14.10.2020
9	10.11.2020
10	26.11.2020
11	05.12.2020
12	09.01.2021

The details of directors and their attendance record at the Board Meeting held during the Year under review are as follows:

S.No	Name of Directors	Category	Attendance Of Board Meetings	Attended last AGM	No. Of Other Directorship / Committees Membership/ Chairmanship		
					O.D	C.M	C.C
1.	DIVYA KOTHARI	MANAGING DIRECTOR	12	Yes	1	-	-
2.	INDER SINGH	NON EXECUTIVE DIRECTOR	3	No	NA	-	-
3.	Subhash Chander	NON EXECUTIVE DIRECTOR	5	Yes	NA	--	-
4.	VIJENDER SINGH	NON EXECUTIVE INDEPENDENT DIRECTOR	12	Yes	NA	-	-
5.	BAJRANG LAL KEDIA	NON-EXECUTIVE INDEPENDENT DIRECTOR	5	Yes	NA	-	-
6.	Ankit Kothari	NON EXECUTIVE DIRECTOR	2	Yes	NA	-	-

(O.D.) Directorship in other Company

(C.M.) Committee Membership

(C.C.) Committee Chairmanship

(2) COMMITTEES OF THE BOARD

The Board of Directors has constituted 3 Committees of the Board viz.

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholder Relationship Committee

AUDIT COMMITTEE

The Audit Committee of the Company comprises of 3 directors out of which one is Executive Director and two are Non Executive Independent Director.

Composition: Meetings and attendance during the year.

S.NO	Name of Directors	Designation	Number of Meetings During The year	
			Held	Attended
1	MR. VIJENDER SINGH	CHAIRMAN	11	11
2	MR. BAJRANG LAL KEDIA	MEMBER	11	10
3	MS. DIVYA KOTHARI	MEMBER	11	5

The dates on which the meetings were held are as follows:

1	14.06.2020
2	26.06.2020
3	29.06.2020
4	30.07.2020
5	08.09.2020
6	03.10.2020
7	05.10.2020
8	14.10.2020
9	26.11.2020
10	05.12.2020
11	09.01.2021

ROLE OF AUDIT COMMITTEE

The terms of reference of the Audit Committee are given below:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
6. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section (3) of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions

- g. Qualifications in the draft audit report.
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
 10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 12. Review and monitor the auditor's independence and performance, and effectiveness of audit process
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 14. Discussion with internal auditors any significant findings and follow up there on.
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 21. Mandatorily reviews the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
 22. Review the Financial Statements of its subsidiary company, if any.
 23. Review the composition of the Board of Directors of its Subsidiary Company, if any.

24. Review the Vigil mechanism (whistle blowing) policy.
25. Examination of the financial statement and the auditors' report thereon;
26. Approval or any subsequent modification of transactions of the company with related parties;
27. Scrutiny of inter-corporate loans and investments;
28. Valuation of undertakings or assets of the company, wherever it is necessary;
29. Evaluation of internal financial controls and risk management systems;
30. Monitoring the end use of funds raised through public offers and related matters.
31. Review the use/application of funds raised through an issue (public issues, right issues, preferential issues etc) on a quarterly basis as a part of the quarterly declaration of financial results. Further, review on annual basis statements prepared by the Company for funds utilized for purposes other than those stated in the offer document.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year ended on 31st March, 2021, the composition of Stakeholders relationship Committee / Investors Grievance committee has been as under:

S.NO	Name of Directors	Designation	Number of Meetings During The year	
			Held	Attended
1	MR. VIJENDER SINGH	CHAIRMAN	4	4
2	MR. BAJRANG LAL KEDIA	MEMBER	4	3
3	MR.INDER SINGH	MEMBER	4	0
4	MR. Ankit Kothari	MEMBER	4	1

During the year under review Stakeholders relationship Committee / Investors Grievance committee meeting was held one time during the year. The necessary quorum was preset in the meeting. The dates of meetings are as follow:

S.NO	Date
1	14.06.2020
2	15.07.2020
3	07.10.2020
4	07.01.2021

ROLE OF STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee of our Board look into:

- The redressal of investors complaints viz. non-receipt of annual report, dividend payments etc.
- Matters related to share transfer, issue of duplicate share certificate, dematerializations.
- Also delegates powers to the executives of our Company to process transfers etc.

NAME AND DESIGNATION OF COMPLIANCE OFFICER:

The Board has appointed Ms. Harsimran Jit Kaur , being Company Secretary, as Compliance Officer of the Company pursuant to Listing Regulations.

NO. OF SHAREHOLDERS COMPLAINTS RECEIVED AND NOT RESOLVED TO THE SATISFACTION OF THE SHAREHOLDERS:

The total number of complaints received and resolved to the satisfaction of Shareholders during the year under review were as under :

No. of complaints outstanding as on 31-03-2020 - Nil

No. of complaints received during the year under review - Nil

No. of complaints disposed off during the year under review - Nil

No. of complaints outstanding as on 31-03-2021 - Nil

The Company interacts with Cameo Corporate Services Limited, Registrar & Transfer Agent and takes effective steps/actions for resolving queries/complaints of the shareholders.

NOMINATION AND REMUNERATION COMMITTEE

The committee currently comprises of three (3) Directors. Mr. Vijender Singh is the Chairman of the Nomination and Remuneration Committee.

During the year under review Stakeholders relationship Committee / Investors Grievance committee meeting was held four times during the year. The necessary quorum was preset in the meeting. The dates of meetings are as follow:

S.NO	Date
1	14.06.2020
2	20.08.2020
3	14.10.2020
4	10.11.2020
5	26.11.2020
6	07.01.2021

During the year ended on 31st March, 2021, the composition of Nomination and Remuneration Committee has been as under:.

S.NO	Name of Directors	Designation	Number of Meetings During The year	
			Held	Attended
1	MR. VIJENDER SINGH	CHAIRMAN	6	6
2	MR. BAJRANG LAL KEDIA	MEMBER	6	5
3	MR. INDER SINGH	MEMBER	6	0
4	MR. Ankit Kothari	MEMBER	6	1

The terms of reference of the nomination and remuneration committee are as follows:

- The remuneration committee recommends to the board the compensation terms of the executive directors.
- The committee to carry out evolution of every director's performance and recommend to the board his/her appointment and removal based on the performance.
- The committee to identify persons who may be appointed in senior management in accordance with the criteria laid down.
- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment.
- Considering approving and recommending to the Board the changes in designation and increase in salary of the executive directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of the Company and the shareholders.

(3) INDEPENDENT DIRECTOR MEETINGS

(a) Performance evaluation criteria for independent directors.

- Evaluation of the performance of the Non – Independent Directors and Board of Directors as a whole;
- Evaluation of the performance of the Chairperson of the Company, taking into account the views of the Executive and Non –Executive Directors;
- Evaluation of the quality, content and timeline of flow of information between the management and the board that is necessary for the board to effectively and reasonably perform its duties.

(b) Composition

- 1) Mr. Bajrang Lal Kedia
- 2) Mr. Vijender Singh

(4) GENERAL BODY MEETINGS

(a) Details of Annual General Meetings (AGMs)

YEAR	VENUE	DATE	TIME
2015	REGISTERED OFFICE	30 TH SEPTEMBER, 2015	10.30A.M
2016	Hotel Solitaire, Chandigarh	30 th September, 2016	11.00 A.M
2017	Hotel Solitaire, Chandigarh	29 th September, 2017	11.00 A.M
2018	Hotel Solitaire, Chandigarh	29 th September, 2018	11.30 A.M
2019	Hotel Solitaire, Chandigarh	30 th September, 2019	11.30 A.M
2020	Registered Office	30 th December, 2020	11.30 A.M

(b) Details of Special Resolutions passed in previous Annual General Meetings:

DATE OF AGM	NUMBER OF SPECIAL RESOLUTION PASSED	DETAILS OF SPECIAL RESOLUTION PASSED
30 TH SEPTEMBER, 2015	Two	1. Conversion of the company to Public company 2. Alteration of the Articles of Association of the company pursuant to conversion into public company
30 TH SEPTEMBER, 2016	One	3. Appointment of Ms Divya Kothari as Managing Director

(5) GENERAL INFORMATION TO SHARE HOLDERS

i. ANNUAL GENERAL MEETING:

Remote E-voting for Annual General Meeting

To allow the shareholders to vote on the resolutions proposed at the AGM, the Company has arranged remote e-voting facility. The Company has engaged CDSL to provide e-voting facility to all the members. Members whose name will appear on the register of members as on Thursday, 23rd day of September, 2021 shall be eligible to participate in the e-voting.

Date	Time	Venue
30 th September, 2021	12.00 P.M	Through Video Conferencing / Other Audio Visual Means as set out in the Notice convening the Annual General Meeting.

ii. FINANCIAL CALANDER

Financial Year	April 1, 2020 to March 31, 2021
Book Closure	The Register of Members of the Company shall remain closed from the,

	Friday 24 th September, 2021 to Thursday, 30 th September, 2021 (both days inclusive).
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iii DEMATERIALIZATION OF SHARES AND LIQUIDITY:

As on March 31, 2021, 98.92% of the Company's shares were held in dematerialized form and the remaining 1.08 % in physical form. The break up is listed below:

Category	No Of Shares Held	Shareholding(%)
PHYSICAL	109590	1.08%
ELECTRONIC IN NSDL	3007488	29.75%
ELECTRONIC IN CDSL	6992002	69.17%
	10109080	100%

iv DISTRIBUTION OF SHAREHOLDINGS

SHARE OR DEBENTURE HOLDINGS				
Shares	Number	% of total	Shares	% of total
1 - 100	3449	44.29	149952	1.48
101 - 500	2435	31.27	685359	6.78
501 - 1000	885	11.37	720410	7.13
1001 - 2000	504	6.47	750112	7.42
2001 - 3000	177	2.27	458444	4.53
3001 - 4000	88	1.13	310970	3.08
4001 - 5000	59	0.76	279078	2.76
5001 - 10000	108	1.39	823465	8.15
10001 - And Above	82	1.05	5931290	58.67
Total	7787	100.00	10109080	100

v CATEGORIES OF SHAREHOLDING:

Categories	No of shares held	Percentage of shareholding
PROMOTER	2036636	20.15%
BODY CORPORATE	1300530	12.86%
RESIDENT	6724133	66.52%
NRI	16428	0.16%
CLEARING MEMBER	11222	0.11%
Bank	20131	0.19%
TOTAL	10109080	100%

VI STOCK CODE AND ROC CODE

BSE CODE: 539800

ISIN No.: INE043U01010

The Company is registered in the Union Territory of Chandigarh, India

Having Corporate Identity Number (CIN) is: L24232CH2012PLC034188

VII DISCLOSURES

1. Related Party Transaction

The company has no material significant transaction with its related parties which may have potential conflict with the interest of the Company at large. The details of the transaction with the company and related parties are given for information under notes to the Accounts

2. Statutory compliances, penalties and structures:

The company has complied with the statutory compliances and there is no penalty or strictures are imposed on the company by the Stock Exchange or Securities Exchange Board of India, any other statutory authority on any matter related to the capital market during the last year.

3. Whistle blower Policy

Pursuant to section 177(9) and (10) of Companies Act, 2013 and Regulation 22 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated Whistle Blower Policy/Vigil Mechanism for Directors and Employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available at company website www.chdchemicals.com

4. Disclosure of Accounting Treatment In the preparation of the Financial Statement

The Company has followed the Indian Accounting Standards referred to in section 133 of the Companies Act, 2013. The Significant Accounting Policies which are consistently applied are set out in the Notes to the Financial Statements.

5. Non-mandatory requirements

Adoption of Non-mandatory requirements of Listing Regulations is being reviewed by the Board from time-to-time.

6. Risk Management:

Business risk evaluation and management is ongoing process within the Company. The Assessment is periodically examined by the Board.

7. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of number of complaints filed and disposed of during the year and pending as on March 31, 2021 is given in the Director's Report.

8. Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year.: - Not Applicable

9. The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2) of Listing Regulations

The Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. The Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and sub regulation (2) of Regulation 46 of the Listing Regulations.

viii LISTING ON STOCK EXCHANGE

With effect from Thursday, 27th August, 2019, the equity shares of CHD CHEMICALS LIMITED which were already listed under BSE SME Platform migrated & admitted to dealings on the Main board Platform of BSE

ix REGISTRAR AND SHARE TRANSFER AGENT

CAMEO CORPORATE SERVICES LIMITED

SUBRAMANIAN BUILDING, NO.1

CLUB HOUSE ROAD

TAMIL NADU, CHENNAI

PHONE: 044 -28460390

E-MAIL: cameo@cameoindia.com

x REGISTERED OFFICE

SCF 214, MOTOR MARKET

MANIMAJRA, CHANDIGARH-160101

PHONE: 0172-5070373

Website: www.chdchemicals.com

CIN No.: L24232CH2012PLC034188

XI CORPORATE ADDRESS

PLOT NO 331, INDUSTRIAL AREA

PHASE II, PANCHKULA-134113

XII MEANS OF COMMUNICATION

The Company's half yearly and yearly financial results were taken on record and approved by the Board of Directors after reviewed by Audit Committee and submitted to the Stock Exchange in terms of the requirements of Listing Regulations. These were uploaded on the web-site of the Company.

In pursuance of Regulation 33 (3) read with Schedule V of Listing Regulations, the Company is maintaining its website www.chdchemicals.com contains basic information about the company e.g. details of its business, financial information, shareholding pattern, etc. The company also agrees to ensure that the contents of the said website are updated at any given point of time.

The Company's Annual Report is also available in down loadable form. The Company has total 110 Shareholders as on 31st March, 2021. The main channel of communication to the shareholders is through its web-site as mentioned above and Annual Report, which includes inter alia, the Director's Report, Management Discussions & Analysis and Report on Corporate Governance and Audited Financial Results. The Annual Report is also posted on the web-site of the Company viz. www.chdchemicals.com.

xi. MARKET PRICE DATA

The data on price of equity shares of the Company are as under: High, Low during each month in last financial year

Month	High Price	Low Price	No.of Shares
Apr-20	33.25	38.7	18288
May-20	33.95	40.7	30503
Jun-20	37.5	54.7	590225
Jul-20	52.2	74.6	1031637
Aug-20	38.15	51.2	1652126
Sep-20	43.6	66.7	7352599
Oct-20	55.65	74.95	3372587
Nov-20	37.6	54.55	76097
Dec-20	24.5	36.85	114555
Jan-21	23.6	34.45	4842553
Feb-21	25.25	36.4	760303
Mar-21	16.9	24.75	121830

XII. INSIDER TRADING

The Company has formulated Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders including therein Code of Conduct for fair disclosures of price sensitive information of the Company, in terms of provisions of SEBI (Prohibition of Insider Trading) Regulation, 1992/2015.

The same has also been uploaded on the web-site of the Company viz. www.chdchemicals.com. The policy lays down guidelines and procedure to be followed and disclosures to be made while dealing with the Shares of the Company.

During the year under review, the Company has revised the following policies under Insider Trading Regulations :-

1. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI),
2. Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders

DECLARATION REGARDING CODE OF CONDUCT

This is to certify that the Company had laid down code of conduct for all the board members and senior management personnel of the Company. Further certified that the members of the board of directors and senior management personnel have affirmed the compliance with the code applicable to them during the year ended 31st March 2021.

**By Order of the Board of Directors
For CHD CHEMICALS LIMITED.**

SD/-

**Place: PANCHKULA
Dated: 6th September, 2021.**

**DIVYA KOTHARI
MANAGING DIRECTOR
DIN – 03592047**

ANNEXURE VI

MANAGEMENT DISCUSSION & ANALYSIS

Industry Overview

OVERVIEW OF CHEMICAL INDUSTRY IN INDIA

The Indian chemical industry is one of the oldest industries in India and has made immense contribution to the industrial and agricultural development of India. It encompasses both large and small-scale units. The fiscal incentives granted to the small-scale units in the mid-1980s provided the thrust to the growth of MSMEs in the sector. The chemical industry serves the needs of sectors such as textiles, leather, plastics, paper, printing inks and food stuffs, among others.

The sector covers over 70,000 commercial products, and provides the feedstock to many downstream industries such as finished drugs, dyestuffs, paper, synthetic rubber, plastics, polyester, paints, pesticides, fertilizers and detergents. Over the years, the industry has been evolving with a shift towards product innovation, brand building and environmental friendliness. Besides, customer focus is gaining significance in the industry.

Leading Position Globally

Chemical industry in India is the third largest producer in Asia and sixth largest in the world.

The Indian chemical industry is expected to surge to USD 226 billion by 2020, up by nearly 35 percent from USD 147 billion in 2015.

Indian chemical industry is expected to double its share in global chemical industry to 5-6% by 2021 registering growth of 8-9% in the next decade.

High GDP Share

The chemical industry in India is a key constituent of Indian economy, accounting for about 2.11 per cent of the GDP

Global Dye Supplier

India accounts for approximately 11 per cent of the world production of dyestuff and dye intermediates, particularly for reactive acid and direct dyes

CHARACTERSTICS OF THE INDIAN CHEMICAL INDUSTRY

- The industry has changed over time to meet the dynamic needs of an emerging economy
- Strong economic growth and rise in per-capita income has meant a steady increase in demand for chemicals
- Expected to clock a growth of 14 per cent over the next decade
- The industry has left behind a low-growth and regulated environment to emerge more mature
- There is strong government support towards R&D; this would benefit the sector

Business Overview

Our Company was originally incorporated at Chandigarh as "CHD Chemicals Private Limited" on 5th November, 2012 under the provisions of the Companies Act, 1956.

Our Company was converted in to a Public Limited Company and consequently the name was changed to "CHD Chemicals Limited" vide fresh certificate of incorporation dated 12th November, 2015 issued by the Registrar of Companies, Punjab and Chandigarh.

Our company is engaged in the business of trading and distribution of high quality chemicals and dyes for textiles industry, leather, and paper industries. We also deal in Construction Chemicals.

We are a chemicals and dyes trading and distribution company with a diverse product portfolio. We are in the trading business since our inception.

We are a professionally managed and growing organization which aims at strengthening and establishing itself as the foremost trader of chemicals and dyes for textile and auxiliary. We also aim at achieving greater and long-term growth.

We are engaged in the business of trading in high quality chemicals & dyes for Textile Industry.

The main suppliers of the Company are Huntsman International (India) Pvt. Ltd. and Fine Organic Industries, Mumbai.

Huntsman International (India) Pvt. Ltd being a United States base company.

SWOT

Strengths

- Diversified product portfolio
- Strong managerial capability
- Cordial relations with Customers
- Adaptability of company in the fast changing environment
- Sound structured facilities
- Reputed suppliers
- Efficient supply chain management

Weaknesses

- Higher taxes
- Dependence on suppliers for products availability
- Working capital intensive due to payment delays from customers

Opportunities

- Large Potential.
- Increasing interest of foreign players in India
- Increasing demand

Threats

- Competition from other developing countries especially from China
- Rising prices of materials
- Formation of cartels
- Government & regulatory norms
- Fluctuations in the material prices

Outlook

The long term objective of the Company is to remain strong player in the market with strong emphasis on product and market development. Your Company is also continuously improving its operational efficiency, and cost control which alone can improve the bottom line in future in highly competitive environment. Further, your Company is hopeful to get advantage of this overall boom likely to happen for the Indian markets and will do all out efforts to secure the bigger share of the increasing market in future.

Internal Control Systems and Their Adequacy

The Company has proper and adequate systems of internal controls. Regular internal audits and checks are carried out to ensure that the responsibilities are executed effectively and that adequate systems are in place.

Human Resources

The number of employees in the Company as on the 31st March, 2021 was 11. The Company enjoys cordial and harmonious industrial relations. Training programs and various initiatives are being taken to create an environment to enhance individual and team performance.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The turnover and other income of the Company during the year is Rs. 691960845.15 /- as against Rs. 86,51,02,895.50/- in the previous year.

The profit from operations before depreciation and tax is Rs 3343984.22 as against Rs. 1,00,32,609.71 /- in the previous year. The net profit after depreciation, taxation is Rs.555523.75 as against Rs. 52,85,446.74 /- in the previous year.

INDEPENDENT AUDITOR'S REPORT

To
The Members of Chd Chemicals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Chd Chemicals Limited ("The Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equities and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015 as amended (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Emphasis of Matter

We draw attention to Note no. 11 of the Financial Statements, which describes the uncertainties and the impact of COVID-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended March 31, 2021. We have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures, Corporate Governance and Shareholders' Information, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and other generally accepted accounting principles in India including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, (the order) issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V of the Act.
 - (h) With respect of the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - (i) The Company did not have any pending litigation, which may have impact on its financial position in its financial statements.
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the Year.

FOR R K DEEPAK & CO.

CHARTERED ACCOUNTANTS

ASIM JAIN

M.No.089331

FRN 003145N

Date: 04.06.2021

Place: Chandigarh

UDIN: 20089331AAAADH8945

Annexure A to Independent Auditor's Report

Referred to in our Independent Auditor's Report of even date to the members of Chd Chemicals Limited on the financial statements as of and for the year ended March 31, 2021, we report the following:

- i (a) The company has maintained proper records showing full particulars, including quantitative details and situation, of Property Plant and Equipment.
 - (b) The Property Plant and Equipment were physically verified by the Management during the year in accordance with a regular verification programme which, in our opinion provides for physical verification of all the Property Plant and Equipment at reasonable interval. According to information and explanations given to us, no material discrepancies have been noticed on such verification.
 - (c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties included in Property Plant and Equipment are held in the name of the Company.
- ii. The physical verification of inventory except stocks in transit has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been dealt with in books of account. However in respect of certain items, the inventories were verified by the management on a visual estimation which has been relied upon by us.
- iii. The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- iv. No transactions relating to Loans, Investment, Guarantees and Security has been made during the year under the provisions of Section 185 and 186 of the Companies Act, 2013. Accordingly the provisions of clause 3 (iv) of the said Order are not applicable to the Company.
- v. In our opinion and according to information and explanations given to us the company has not accepted any deposit from the public within the meaning of Sections 73 to 76 of the Act or any other relevant provisions of the Act and the Rules framed thereunder. Accordingly paragraph 3(v) of the Order is not applicable to the Company.
- vi. Pursuant to the rules by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148 (1) of the Act in respect of its products.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, amounts deducted/accrued in the books of account in respect of the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Taxes, Goods and Service Tax, Duty of Customs and other material statutory dues, as applicable, have been regularly deposited during the year by the Company with the appropriate authorities.
 According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Taxes, Goods and Service Tax, Duty of Customs and other material statutory dues, were in arrears as at 31st March 2021 for a period of more than 6 months from the date they became payable.
 - (b) According to the information and explanations given to us the records of the Company examined by us, there are no dues of Income Tax, Goods and Service Tax and Duty of Custom which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial Institution or bank. The Company does not have any loans and borrowings from Government. Further, the Company has not issued any debentures.
- ix. The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) .
- x. To the best of our knowledge and according to the information and explanations given to us, No material fraud by the Company or on the Company by its officers or employees, noticed or reported during the course of our audit.
- xi. In our opinion and according to information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the order are not applicable to the Company.
- xiii. In our opinion and according to information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act, wherever applicable. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the orders are not applicable to the Company.
- xv. In our opinion and according to information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3 (xvi) of the order are not applicable to the Company.

FOR R K DEEPAK & CO.

CHARTERED ACCOUNTANTS

ASIM JAIN
M.No.089331
FRN 003145N

Date: 04.06.2021
Place: Chandigarh
UDIN: 20089331AAAADH8945

Annexure B to Independent Auditor's Report

Referred to in paragraph 2(f) of the Independent Auditor's Report of even date to the members of Chd Chemicals Limited on the financial statements for the year ended March 31, 2021, we report the following:

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of Chd Chemicals Limited ("the Company") as at March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI deemed to be prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial control over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, Projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal controls over financial reporting criteria established by the Company considering the essential components over internal control stated in the Guidance Note on audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR R K DEEPAK & CO.

CHARTERED ACCOUNTANTS

ASIM JAIN
M.No.089331
FRN 003145N

Date: 04.06.2021
Place: Chandigarh
UDIN: 20089331AAAADH8945

CHD CHEMICALS LIMITED
BALANCE SHEET AS AT 31 MARCH 2021

(AMOUNT IN RS.)				
	Particulars	Note No.	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
	1	2		3
A ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipment	2A	74,50,237.41	9291826.61	
(b) Capital work-in-progress	2B		-	
(c) Financial Assets:				
(i) Investments	3		-	
(ii) Loans & Advances	4	90000.00	1435400.00	
(d) Other non-current assets	5	0.00	247101.00	
Total Non Current Assets(A1)		7540237.41	10974327.61	
2 Current assets				
(a) Inventories	6	60131489.00	45170211.40	
(b) Financial Assets				
(i) Trade receivables	7	347711578.38	366226790.61	
(ii) Cash and cash equivalents	8	6282502.56	5396468.03	
(iii) Loans & Advances	9	1882832.50	5449068.31	
(d) Other current assets	10	6390269.26	4510906.49	
Total Current Assets(A2)		422398671.70	426753444.84	
Total Assets(A1+A2)			429938909.11	437727772.45
B EQUITY AND LIABILITIES				
1 EQUITY				
(a) Equity Share capital	11	101090800.00	101090800.00	
(b) Other Equity		27022540.73	27971674.13	
Total Equity(B1)		128113340.73	129062474.13	
LIABILITIES				
2 Non-Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	12	26919744.26	11852881.76	
(b) Provisions	13	-	-	
(c) Deferred tax liabilities (Net)	14	-	-	
(d) Other non-current liabilities	15	-	-	
Total Non Current Liability(B2)		26919744.26	11852881.76	
3 Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	34145490.88	5593745.15	
(ii) Trade payables	17	235422050.50	281215259.37	
(b) Other current liabilities	18	4924293.43	7952355.32	
(c) Provisions	19	-	-	
(d) Current Tax Liabilities (Net)	20	413989.31	2051056.72	
Total Current Liabilities(B3)		274905824.12	296812416.56	
Total Equity and Liabilities (B1+B2+B3)			429938909.11	437727772.45

SIGNIFICANT ACCOUNTING POLICIES 1 0.00

This is the Balance Sheet referred to in our report of even date.
See accompanying notes forming part of financial statement

<p>Auditors Report Certified in terms of our separate report of even Date</p> <p>For R.K.Deepak & Co. Chartered Accountants Registration No.003145N</p> <p>Asim Jain Partner Membership No.089331</p> <p>Place: Panchkula Date: 04.06.2021 UDIN: 20089331AAAADH8945</p>	<p>For and on behalf of Board of Directors</p> <p>Divya Kothari (Director)</p> <p>Ankit Kothari (Director)</p> <p>Kamal Kumar Shah (CFO)</p> <p>Harsimran Jit Kaur (Company Secretary)</p>
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**CHD CHEMICALS LIMITED****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021****(AMOUNT IN RS.)**

	<i>Particulars</i>	<i>Note No.</i>	<i>31.03.2021</i>	<i>2019-20</i>
I	Revenue From Operations	21	691960845.15	865102895.50
II	Other Income	22	330757.00	467167.00
III	Total Income (I+II)		692291602.15	865570062.50
IV	EXPENSES			
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade	23	683407585.16	826921445.10
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	24	(14961277.60)	(514010.60)
	Excise duty		-	-
	Employee benefits expense	25	6476776.65	9207824.74
	Finance costs	26	3808762.54	3623025.83
	Depreciation and amortization expense	27	2296666.88	2787008.30
	Other expenses	28	10215771.18	16299167.72
	Total expenses (IV)		691244284.81	858324461.09
V	Profit/(loss) before exceptional items and tax (III- IV)		1047317.34	7245601.41
VI	Exceptional Items - (profit)/loss		-	-
VII	Profit/(loss) before tax (V-VI)		1047317.34	7245601.41
VIII	Tax expense:			
	(1) Current tax		413989.31	2051056.72
	(2) Deferred tax		0.00	(138641.00)
	(3) Earlier year Taxes		77804.28	47738.95
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		555523.75	5285446.74
X	Profit/(loss) from Discontinued operations (after tax)		-	-
XI	Profit/(loss) for the period (IX+X)		555523.75	5285446.74
XII	Other Comprehensive Income:			
	A (i) Items that will not be reclassified to profit or (loss):-		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or (loss):-		-	-
	B (i) Items that will be reclassified to profit or (loss)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or (loss)		-	-
XIII	Total Comprehensive Income for the period (XI+XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		555523.75	5285446.74
XIV	Earnings per equity share (for continuing operation):			
	(1) Basic	29	0.00	0.52
	(2) Diluted	29	0.00	0.52

This is the Statement of Profit and Loss referred to in our Report of even date.

See accompanying notes forming part of financial statement

Auditors Report

Certified in terms of our separate report of even Date

For R.K.Deepak & Co.
Chartered Accountants
Registration No.003145N

Asim Jain
Partner
Membership No.089331

Place: Panchkula
Date: 04.06.2021
UDIN: 20089331AAAADH8945

For and on behalf of

Divya Kothari
(Director)

Ankit Kothari
(Director)

Kamal Kumar Shah
(CFO)

Harsimran Jit Kaur
(Company Secretary)



CHD CHEMICALS LIMITED
STATEMENT OF CASH FLOW AS ON 31st MARCH 2020

(Amount in INR)

	Year Ended 31st March 2020	Year Ended 31st March 2019
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Profit and Loss Account	7245601.41	8910831.94
Adjusted for:		
Loss/(Profit) on sale of Fixed Assets	193753.48	-
Depreciation and amortization expenses	2787008.30	2926730.88
Interest/Dividend Income	(467167.00)	(437678.00)
Interest Expense	3623025.83	3500134.19
Operating Profit before working capital changes	6136620.61	5989187.07
Adjusted for:		
Decrease/(increase) in Trade Receivables	(76472319.70)	(112159758.34)
Decrease/(increase) in Inventories	(514010.60)	(28338332.80)
Decrease/(increase) in Loans & advances	(4596834.29)	94317.18
Decrease/(increase) in other current assets	157200.73	351922.61
(Decrease)/increase in Trade Payables	96697261.10	93469572.54
(Decrease)/increase in Other Current Liabilities & Provisions	(1668201.68)	4357548.99
	13603095.56	(42224729.82)
Cash generated from Operations	26985317.58	(27324710.81)
Income Tax Paid(Net)	(2395008.00)	(1724769.00)
Net Cash from Operating Activities	24590309.58	(29049479.81)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(149958.09)	(125426.18)
Proceeds from sale of Fixed assets	690000.00	-
Increased in non current Assets	-	-
Decrease (Increase) in Long Term Loans & Advances	-	345198.00
Interest/Dividend received	467167.00	437678.00
Net Cash (Used in) Investing Activities	1007208.91	657449.82
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Repayment) of Long Term Borrowings	(2555289.55)	(7391086.69)
Proceeds from Short Term Borrowings(Net)	(19326737.12)	22712644.35
Proceeds from Issue of share capital	-	9397500.00
Dividend Paid	-	-
Dividend Tax	-	-
Interest Paid	(3623025.83)	(3500134.19)
Net Cash (Used in) From Financing activities	(25505052.50)	21218923.47
Net Increase/(Decrease) in Cash & Cash equivalents (A+B+C)	92465.99	(7173106.52)
Cash & Cash equivalents at beginning of the period	5304002.04	12477108.56
Cash & Cash equivalents at end of the period	5396468.03	5304002.04

Notes:

1. Previous year figures have been regrouped / rearranged wherever necessary.
2. Negative figures have been shown in brackets.

Auditors Report

Certified in terms of our separate report of even Date

For R.K.Deepak & Co.
Chartered Accountants
Registration No.003145N

Asim Jain
Partner
Membership No.089331

Place: Panchkula
Date: 30-06-2020
UDIN:2089331AAAAAN1899

For and on behalf of Board of Directors

SD/-
Divya Kothari
Managing Director)

SD/-
SUBHASH CHANDER
(Additional Director)

SD/-
Kamal Kumar Shah
(CFO)

SD/-
Harsimran Jit Kaur
(Company Secretary)

CHD CHEMICALS LIMITED
STATEMENT OF CASH FLOW AS ON 31st March 2021

	Year Ended 31st March 2021		Year Ended 31st March 2020
A CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Tax as per Profit and Loss Account		1047317.34	7245601.41
Adjusted for:			
Loss/(Profit) on sale of Fixed Assets	0.00		193753.48
Depreciation and amortization expenses	2296666.88		2787008.30
Interest/Dividend Income	(330757.00)		(467167.00)
Interest Expense	3808762.54		3623025.83
Operating Profit before working capital changes		5774672.42	6136620.61
Adjusted for:			
Decrease/(increase) in Trade Receivables	18515212.23		(76472319.70)
Decrease/(increase) in Inventories	(14961277.60)		(514010.60)
Decrease/(increase) in Loans & advances	3566235.81		(4596834.29)
Decrease/(increase) in other current assets	(1879362.77)		157200.73
(Decrease)/increase in Trade Payables	(45793208.87)		96697261.10
(Decrease)/increase in Other Current Liabilities & Provisions	(2969083.87)		(1668201.68)
		(43521485.07)	13603095.56
Cash generated from Operations		(36699495.31)	26985317.58
Income Tax Paid(Net)		(2128861.00)	(2395008.00)
Net Cash from Operating Activities		(38828356.31)	24590309.58
B CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		-207976.68	(149958.09)
Proceeds from sale of Fixed assets		0	690000.00
Increased in non current Assets		0	-
Decrease (Increase) in Long Term Loans & Advances		13,45,400.00	-
Interest/Dividend received		330757.00	467167.00
Net Cash (Used in) Investing Activities		1468180.32	1007208.91
C CASH FLOW FROM FINANCING ACTIVITIES			
Increase / (Repayment) of Long Term Borrowings		15007884.48	(2555289.55)
Proceeds from Short Term Borrowings(Net)		28551745.73	(19326737.12)
Proceeds from Issue of share capital		0	-
Dividend Paid		-1504657.15	-
Dividend Tax		0	-
Interest Paid		(3808762.54)	(3623025.83)
Net Cash (Used in) From Financing activities		38246210.52	(25505052.50)
Net Increase/(Decrease) in Cash & Cash equivalents (A+B+C)		886034.53	92465.99
Cash & Cash equivalents at beginning of the period		5396468.03	5304002.04
Cash & Cash equivalents at end of the period		6282502.56	5396468.03

Notes:

1. Previous year figures have been regrouped / rearranged wherever necessary.
2. Negative figures have been shown in brackets.

Auditors Report

Certified in terms of our separate report of even Date

For R.K.Deepak & Co.
Chartered Accountants
Registration No.003145NAsim Jain
Partner
Membership No.089331Place: Panchkula
Date: 04.06.2021
UDIN: 20089331AAAADH8945**For and on behalf of Board of Directors**Divya Kothari
(Director)Ankit Kothari
(Director)Kamal Kumar Shah
(CFO)Harsimran Jit Kaur
(Company Secretary)

CHD CHEMICALS LIMITED

STATEMENT OF CHANGE IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2021

A. Equity Share Capital

Particular	No. of Share	Amount in Rs.
Balance as at 01/04/2019	10109080	101090800
Changes in equity share capital during the year (2019-20)	0	0
Balance as at 31/03/2020	10109080	101090800
Changes in equity share capital during the year (2020-21)	-	-
Balance as at 31/03/2021	10109080	101090800

B. Other Equity

Particulars	Reserves and Surplus			Other items of Other Comprehensive Income	Money received against share warrants	Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Remeasurements of net defined benefits plans		
Balance as at 01/04/2019	2709080.00	-	19977147.39	0	0.00	22686227.39
Changes in accounting policy or prior period errors			-			-
Restated balance at the beginning of the reporting period	2709080.00	-	19977147.39		0.00	22686227.39
Profit for the Year			5285446.74			5285446.74
Other Comprehensive Income for the year				-		-
Dividends			-			-
Dividend Tax			-			-
Transfer to retained earnings						-
Cash Proceeds/(Payments)/Converted to Equity Shares					0.00	0.00
Balance as at 31/03/2020	2709080.00	-	25262594.13	-	-	27971674.13
Changes in accounting policy or prior period errors						-
Restated balance at the beginning of the reporting period	2709080.00	-	25262594.13	-	-	27971674.13
Profit for the Year			555523.75			
Other Comprehensive Income for the year				-		-
Dividends paid	0.00		15,04,657.15			15,04,657.15
Dividend Tax paid			-			-
Transfer to retained earnings						-
Cash Proceeds/(Payments)/Converted to Equity Shares					-	-
Balance as at 31/03/2021	2709080.00	-	24313460.73	-	-	27022540.73

Notes:

- Previous year figures have been regrouped / rearranged wherever necessary.
- Negative figures have been shown in brackets.

Auditors Report

Certified in terms of our separate report of even Date

For R.K.Deepak & Co.
Chartered Accountants
Registration No.003145N

Asim Jain
Partner
Membership No.089331

Place: Panchkula
Date: 04.06.2021
UDIN: 20089331AAAADH8945

For and on behalf of Board of Directors

Divya Kothari
(Director)

Ankit Kothari
(Director)

Kamal Kumar Shah
(CFO)

Harsimran Jit Kaur
(Company Secretary)

2.) PROPERTY, PLANT AND EQUIPMENTS AND CAPITAL WORK IN PROGRESS

DESCRIPTION	GROSS BLOCK				DEPRECIATION/ AMORTISATION/DEPLETION			NET BLOCK		
	AS AT 31.03.2020	ADDITIONS	DISPOSALS/ TRANSFER	AS AT 31.03.2021	FOR THE YEAR(20-21)	DISPOSALS/ TRANSFER	AS AT 31.03.2021	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
A) PROPERTY, PLANT & EQUIPMENT										
TANGIBLE ASSETS:										
FURNITURE & FIXTURE	5461.000	0.000	0.000	5461.000	563.660	0.000	4060.643	1400.357	1964.017	2527.678
OFFICE EQUIPMENTS	435358.570	207976.680	0.000	643335.250	58411.970	0.000	369693.009	273642.241	124077.531	160991.891
VEHICLES	15700701.000	0.000	0.000	15700701.000	1902820.760	0.000	8591110.754	7109590.246	9012411.006	11871066.191
COMPUTERS	452766.700	0.000	0.000	452766.700	87769.500	0.000	387162.147	65604.553	153374.053	130689.533
SUB-TOTAL (A)	16594287.270	207976.680	0.000	16802263.950	2049565.890	0.000	9352026.554	7450237.406	9291826.606	12165275.296
B) CAPITAL WORK IN PROGRESS										
	-	-	-	-	-	-	-	-	-	-
SUB-TOTAL (B)	-	-	-	-	-	-	-	-	-	-

DATE : 04.06.2021

PLACE : PANCHKULA

Divya Kothari

(Director)

(Din:03592047)

Ankit KOTHari

(Director)

(DIN NO 06883692

Kamal Kumar Shah

(CFO)

Harsimran Jit Kaur

(Company Secretary)



3 NON CURRENT INVESTMENTS

(Long term investments)

	As at 31st March, 2021		As at 31st March, 2020
Other Investments			-
TOTAL			-

4 LONG TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

	As at 31st March, 2021		As at 31st March, 2020
Others			
Security Deposits		90000.00	1435400.00
TOTAL		90000.00	1435400.00

5 OTHER NON CURRENT ASSETS

(Unsecured and Considered Good)

	As at 31st March, 2021		As at 31st March, 2020
Others			
i) Deferred Revenue Expenses upto the extent not written off:			
Opening Balance		2,47,101.00	894456.00
Incurred during the year		0.00	-
Written off during the year		2,47,101.00	647355.00
Balance carried over		0.00	247101.00
TOTAL		0.00	247101.00

6 INVENTORIES*

	As at 31st March, 2021		As at 31st March, 2020
Finished goods		60131489.00	45170211.40
TOTAL		60131489.00	45170211.40

* As certified & valued by the management of the company on the date of Balance Sheet.

7 TRADE RECEIVABLES

	As at 31st March, 2021		As at 31st March, 2020
i) Secured and Considered Good			-
ii) Unsecured and Considered Good:			
a) Over Six Months	3,69,36,067.98		3,74,93,708.98
b) Others	31,07,75,510.40	347711578.38	328733081.63
			366226790.61
Less: Provision for Doubtful Debts			-
TOTAL		347711578.38	366226790.61

8 CASH & CASH EQUIVALENT

	As at 31st March, 2021		As at 31st March, 2020
Balances with Banks		7,69,824.83	588905.20
Cash in hand		10,84,643.73	379528.83
Cheque in Hand		0	-
Fixed deposit with Bank*		44,28,034.00	4428034.00
TOTAL		6282502.56	5396468.03

Fixed deposit includes Rs./- as fixed deposits with Banks having maturity period of more than 12 months (Previous Year - Rs./-).

9 SHORT TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

	As at 31st March, 2021		As at 31st March, 2020
Others			
Other loan and advances		18,82,832.50	5449068.31
TOTAL		1882832.50	5449068.31

10 OTHER CURRENT ASSETS

	As at 31st March, 2021		As at 31st March, 2020
Others *			
Balance with revenue authorities	51,56,294.26		3582881.49
Interest incurred but not due	12,33,975.00		928025.00
		6390269.26	4510906.49
TOTAL		6390269.26	4510906.49

*(Unsecured, considered good unless otherwise stated)

11 EQUITY SHARE CAPITAL

	As at 31st March, 2021		As at 31st March, 2020
Authorised Share Capital			
11000000 Equity Shares of Rs. 10/- each		110000000.00	110000000.00
Issued Subscribed and Paid up			
10109080 Equity Shares of Rs. 10/- each fully paid up*		10,10,90,800.00	101090800.00
TOTAL		101090800.00	101090800.00

* The Company has only one class of equity shares, fully paid, having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote

11.1 The reconciliation of the number of shares outstanding is set out below:

	As at 31st March, 2021		As at 31st March, 2020
			Number of Shares
Equity Shares at the beginning of the Year		10109080.00	10109080.00
Add: Equity Shares Issued during the year			-
Less: Equity Shares bought back during the year			-
Equity Shares at the end of the year		10109080.00	10109080.00

11.2 The details of Shareholders holding more than 5% Shares

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% held	No. of Shares	% held
Ms. Divya Kothari	2036636	27.58	2036636	20.15
Mr. Ankit Kothari	627181	10.12	718090	7.10
M/S Ankit Trade & Investments Pvt Ltd.	1200000	4.88	1200000	11.87
M/s Kothari Trade Investment P Ltd	1290000	2.11	1301050	12.87

12 LONG TERM BORROWINGS

	As at 31st March, 2021		As at 31st March, 2020	
	Non-Current		Non-Current	
Secured				
Term Loans				
From Banks	4500000.00		-	
From Others	8,74,744.26		2052881.76	
		5374744.26		2052881.76
Unsecured				
From Directors			-	
From Other		2,15,45,000.00	9800000.00	
TOTAL		26919744.26		11852881.76

12.1 Detail of Borrowing

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Non-Current	Current	Non-Current	Current
I) Secured				
A) Term Loans from Banks				
i) ICICI FORTUNER CAR LOAN			-	113679.00
ii)AXIS BANK CANTER TRUCK LOAN			-	-
iii)MAHENDRA & MAHENDRA FINANCE SERVICES LTD			-	-
IV) DAIMLER FINANCIAL SERVICES INDIA PVT LTD	8,74,744.26	12,22,825.50	2052881.76	1168124.52
V)AXIS BANK WORKING CAPITAL TERM LOAN (ECLG SCHEME	4500000.00			
II) Unsecured				
i) From Directors			-	-
ii) From Others	2,15,45,000.00		9800000.00	-
TOTAL	26919744.26	1222825.50	11852881.76	1281803.52

13 LONG TERM PROVISIONS

	As at 31st March, 2021		As at 31st March, 2020
Other Long Term Provisions			-
TOTAL			-

14 DEFERRED TAX LIABILITY (Net)

	As at 31st March, 2021		As at 31st March, 2020
Deferred Tax Liability			
Related to fixed assets			-
Deferred Tax Assets			
Unabsorbed Depreciation/disallowances under the Income Tax Act, 1961			-
TOTAL			-

15 OTHER LONG TERM LIABILITIES

	As at 31st March, 2021		As at 31st March, 2020
Others			-
TOTAL			-

16 SHORT TERM BORROWINGS

	As at 31st March, 2021		As at 31st March, 2020
Secured			
Working Capital Loans from Banks*			
Rupee Loans (Axis Bank Limited OCC)		3,41,45,490.88	5593745.15
TOTAL		34145490.88	5593745.15

*Secured by Hypothecation of all stocks and Book Debts & further personally guaranteed by the Directors of the company.

17 TRADE PAYABLES

	As at 31st March, 2021		As at 31st March, 2020
Micro Small and Medium Enterprises			-
Others		23,54,22,050.50	281215259.37
TOTAL		235422050.50	281215259.37

18 OTHER CURRENT LIABIIITIES

	As at 31st March, 2021		As at 31st March, 2020	
Current maturities of long-term debts	1222825.50		1281803.52	
Cheque issued but not presented	8255.00		23735.00	
Statutory dues	1,96,448.93		1158847.80	
Other provisions (expenses payable)	34,96,764.00		5487969.00	
		4924293.43		7952355.32
TOTAL		4924293.43		7952355.32

19 SHORT TERM PROVISIONS

	As at 31st March, 2021		As at 31st March, 2020
Provision for employee benefits			-
TOTAL			-

20 CURRENT TAX LIABILITY (NET)

	As at 31st March, 2021		As at 31st March, 2020	
PROVISION FOR INCOME TAX	413989.31		2051056.72	
LESS MAT CREDIT TO BE UTILISED		413989.31	-	2051056.72
TOTAL		413989.31		2051056.72

21 REVENUE FROM OPERATIONS

	As at 31st March, 2021		2019-20
Sale of products		691960845.15	865102895.50
Less: Rebate & Discount			-
TOTAL		691960845.15	865102895.50

22 OTHER INCOME

	As at 31st March, 2021		2019-20
Interest		3,30,757.00	467167.00
Other Non Operating Income			-
Commission on Sale			-
Profit on Sale of Vehicle			-
TOTAL		330757.00	467167.00

23 PURCHASE OF STOCK IN TRADE

	As at 31st March, 2021		2019-20
Chemicals		683407585.16	826921445.10
TOTAL		683407585.16	826921445.10

24 CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN PROCESS

	As at 31st March, 2021		2019-20	
<u>Inventories (At commencement)</u>				
- Finished Goods	45170211.40		44656200.80	
- Semi Finished Goods and Goods in process			-	
		45170211.40		44656200.80
<u>Inventories (At Close)</u>				
- Finished Goods	60131489.00		45170211.40	
- Semi Finished Goods and Goods in process			-	
		60131489.00		45170211.40
TOTAL (Opening Stock-Closing Stock)		(14961277.60)		(514010.60)

25 EMPLOYEE BENEFITS EXPENSE

	As at 31st March, 2021		2019-20
Salaries,Wages and Other Incentives		6421725.00	9126715.00
Welfare Expenses		55051.65	81109.74
Contribution to Provident and Other Funds.			-
TOTAL		6476776.65	9207824.74

26 FINANCE COSTS

	As at 31st March, 2021		2019-20
Interest on Term Loan		232174.48	414053.45
Interest on Working Capital		2142579.95	1981793.00
Other Interest		883309.00	882000.00
Bank & Other Charges		550699.11	345179.38
TOTAL		3808762.54	3623025.83

27 DEPRECIATION AND AMORTISATION CHARGES

	As at 31st March, 2021		2019-20
Depreciation		20,49,565.88	2139653.30
Amortisation- Deferred Revenue Expenditure		2,47,101.00	647355.00
TOTAL	0.00	2296666.88	2787008.30

28 OTHER EXPENSES

	31.03.2021		2019-20
<u>i)Administrative & Other Expenses</u>			
Administration Expenses	133998.00		92637.41
Charity & Donation A/C	0.00		6850.00
Software Updation /Comuter Exp /Website Development	14636.00		49914.66
Conveyance Exp A/C	66905.00		118521.00
Electricity & Water	87715.00		64798.00
Office Repair & Maintenance	43,536.52		-
Misc Expenses	22.72		25.04
Postage & Telegram Exp	23352.00		43522.00
Printing & Stationary A/C	63601.79		111414.96
Rent Account	496375.00		630500.00
Telephone Expenses	99591.43		106943.22
Tour & Travel Exp	159124.00		389284.89
Vehicle Running & Maintt	763394.55		1106578.80
Insurance	194227.00		172214.25
Certification Charges	-		-
Legal & Pprofessional Exp	533496.00		804720.00
Loss on Sale of Vehicle			193753.48
Roc & Other Fees	25677.00		9600.00
Rate & Taxes/Dividend Tax	57,495.00		-
Fire Fighting Exp	5315.00		30550.00
Social Welfare Exp	-		-
Director Meeting Fees	0.00		159000.00
Sundry Balance Write Off	-	2768462.01	-
<u>ii) Selling & Distribution Expenses :</u>			
Sampling Expenses	17,260.00		-
Sales Promotion	1,11,510.00		130999.00
Freight Outward A/C	74,303.00		163531.00
Rebate & Discount Allowed	52,73,450.17		6878750.01
Godown Rent	2,65,776.00		315960.00
Sales Incentive	15,11,750.00		4351465.00
Lab Expense/ Testing Charges	13,395.00		54260.00
Packing Expenses	14,850.00		154615.00
Advertisement Exp.	1,39,500.00		108610.00
Diwali Exp	25,515.00	7447309.17	50150.00
TOTAL		10215771.18	16299167.72

29 EARNINGS PER SHARE (EPS)

	31.03.2021	2019-20
i) Net Profit after tax as per Statement of profit and Loss attributable to Equity shareholders		5285446.74
ii) Weighted Average number of equity share used as denominator for calculating Basic EPS		10109080
iii) Basic Earning per share		0.52
iv) Weighted Average number of equity share used as denominator for calculating Diluted EPS as per treasury stock method		10109080
v) Diluted Earning per share		0.52
v) Face Value per equity share		10.00



13 LONG TERM PROVISIONS

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Other Long Term Provisions	-	-	-
TOTAL	-	-	-

14 DEFERRED TAX LIABILITY (Net)

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Deferred Tax Liability Related to fixed assets	-	138641.00	175054.00
Deferred Tax Assets Unabsorbed Depreciation/disallowances under the Income Tax Act, 1961	-	-	-
TOTAL	-	138641.00	175054.00

15 OTHER LONG TERM LIABILITIES

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Others	-	-	-
TOTAL	-	-	-

16 SHORT TERM BORROWINGS

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
<u>Secured</u> Working Capital Loans from Banks* Rupee Loans (Axis Bank Limited OCC)	5593745.15	24920482.27	2207837.92
TOTAL	5593745.15	24920482.27	2207837.92

*Secured by Hypothecation of all stocks and Book Debts & further personally guaranteed by the Directors of the company.

17 TRADE PAYABLES

(Amount in INR)

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Micro Small and Medium Enterprises	-	-	-
Others	281215259.37	184517998.27	91048425.73
TOTAL	281215259.37	184517998.27	91048425.73

18 OTHER CURRENT LIABILITIES

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Current maturities of long-term debts	1281803.52	2204751.55	2012279.69
Cheque issued but not presented	23735.00	35149.00	4052.00
Statutory dues	1158847.80	1569961.48	938560.49
Other provisions (expenses payable)	5487969.00	6733643.00	3038592.00
	7952355.32	10543505.03	5993484.18
TOTAL	7952355.32	10543505.03	5993484.18

19 SHORT TERM PROVISIONS

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Provision for employee benefits	-	-	-
TOTAL	-	-	-

20 CURRENT TAX LIABILITY (NET)

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
PROVISION FOR INCOME TAX	2051056.72	2347269.05	1724769.00
LESS MAT CREDIT TO BE UTILISED	- 2051056.72	- 2347269.05	- 1724769.00
TOTAL	2051056.72	2347269.05	1724769.00

21 REVENUE FROM OPERATIONS

(Amount in INR)

	2019-20	2018-19
Sale of products	865102895.50	763064282.96
Less: Rebate & Discount	-	-
TOTAL	865102895.50	763064282.96

22 OTHER INCOME

	2019-20	2018-19
Interest	467167.00	437678.00
Other Non Operating Income	-	-
Commission on Sale	-	-
Profit on Sale of Vehicle	-	-
TOTAL	467167.00	437678.00

23 PURCHASE OF STOCK IN TRADE

	2019-20	2018-19
Dyes & Chemicals	826921445.10	746082773.69
TOTAL	826921445.10	746082773.69

24 CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN PROCESS

	2019-20	2018-19
<u>Inventories (At commencement)</u>		
- Finished Goods	44656200.80	16317868.00
- Semi Finished Goods and Goods in process	-	-
	44656200.80	16317868.00
<u>Inventories (At Close)</u>		
- Finished Goods	45170211.40	44656200.80
- Semi Finished Goods and Goods in process	-	-
	45170211.40	44656200.80
TOTAL (Opening Stock-Closing Stock)	(514010.60)	(28338332.80)

25 EMPLOYEE BENEFITS EXPENSE

	2019-20	2018-19
Salaries,Wages and Other Incentives	9126715.00	8376474.00
Welfare Expenses	81109.74	102674.00
Contribution to Provident and Other Funds.	-	-
TOTAL	9207824.74	8479148.00

26 FINANCE COSTS

(Amount in INR)

	2019-20	2018-19
Interest on Term Loan	414053.45	619764.31
Interest on Working Capital	1981793.00	1636750.00
Other Interest	882000.00	1039287.00
Bank & Other Charges	345179.38	204332.88
TOTAL	3623025.83	3500134.19


27 DEPRECIATION AND AMORTISATION CHARGES

(Amount in INR)

	2019-20	2018-19
Depreciation	2139653.30	2171432.88
Amortisation- Deferred Revenue Expenditure	647355.00	755298.00
TOTAL	2787008.30	2926730.88

28 OTHER EXPENSES

(Amount in INR)

	2019-20	2018-19
<u>i)Administrative & Other Expenses</u>		
Administration Expenses	92637.41	72972.00
Charity & Donation A/C	6850.00	7100.00
Software Updation /Comuter Exp /Website Development	49914.66	7322.88
Conveyance Exp A/C	118521.00	70102.00
Electricity & Water	64798.00	50622.00
Office Repair & Maintenance	-	169273.06
Misc Expenses	25.04	35.11
Postage & Telegram Exp	43522.00	33536.00
Printing & Stationary A/C	111414.96	135046.33
Rent Account	630500.00	492000.00
Telephone Expenses	106943.22	177500.46
Tour & Travel Exp	389284.89	376680.00
Vehicle Running & Maintt	1106578.80	957389.05
Insurance	172214.25	157628.00
Certification Charges	-	97365.00
Legal & Pprofessional Exp	804720.00	2352060.00
Loss on Sale of Vehicle	193753.48	-
Roc & Other Fees	9600.00	123211.20
Rate & Taxes/Dividend Tax	-	13082.00
Fire Fighting Exp	30550.00	-
Social Welfare Exp	-	280100.00
Director Meeting Fees	159000.00	28000.00
Sundry Balance Write Off	-	1658.82
	4090827.71	5602683.91
<u>ii) Selling & Distribution Expenses :</u>		
Sampling Expenses	-	-
Sales Promotion	130999.00	112711.70
Freight Outward A/C	163531.00	103837.00
Rebate & Discount Allowed	6878750.01	8387528.85
Godown Rent	315960.00	333777.00
Sales Incentive	4351465.00	6005936.00
Lab Expense/ Testing Charges	54260.00	98440.60
Packing Expenses	154615.00	338673.00
Advertisement Exp.	108610.00	18615.00
Diwali Exp	50150.00	938472.00
	12208340.01	16337991.15
TOTAL	16299167.72	21940675.06

29 EARNINGS PER SHARE (EPS)

	2019-20	2018-19
i) Net Profit after tax as per Statement of profit and Loss attributable to Equity shareholders	5285446.74	6599975.89
ii) Weighted Average number of equity share used as denominator for calculating Basic EPS	10109080	10109080
iii) Basic Earning per share	0.52	0.65
iv) Weighted Average number of equity share used as denominator for calculating Diluted EPS as per treasury stock method	10109080	10109080
v) Diluted Earning per share	0.52	0.65
v) Face Value per equity share	10.00	10.00

30 RELATED PARTY DISCLOSURES :

As per IND AS 24, the disclosure of transactions with the related parties are given below:

i) List of related parties where control exists and related parties with whom transactions have taken place and relationship:

Name of Related Party	Relationship
Smt. Divya Kothari Shri Inder Singh Shri Ankit Kothari Shri Kamal Kumar Shah Smt. Harsimran Jit Kaur	Key Managerial Personnel
Shri Bajrang Lal Kedia Shri Vijender Singh	Independent Directors

ii) Transactions during the year with Key Managerial Personnel:

	Salary and Allowances		Reimbursements	
	2019-20	2018-19	2019-20	2018-19
Smt. Divya Kothari	600000.00	6000000.00		
Shri Inder Singh				
Shri Ankit Kothari				
Shri Kamal Kumar Shah	900000.00	900000.00		
Smt. Harsimran Jit Kaur	345000.00	312000.00		

iii) Transactions during the year with Independent Dierctors.

	Reimbursements		Sitting Fees	
	2019-20	2018-19	2019-20	2018-19
Shri Bajrang Lal Kedia			28000.00	6000.00
Shri Vijender Singh			35000.00	10000.00

31 SEGMENT INFORMATION

Primary segment information:

The Company operates in only one main segment i.e. Trading in Dyes & Chemicals

Secondary segment information:

Amount in INR

	2019-20	2018-19
Segment Revenue		
India	865102895.50	763064282.96
Overseas	-	-
TOTAL	865102895.50	763064282.96

32 CONTINGENT LIABILITIES AND COMMITMENTS*

Amount in INR

	As at 31st March, 2020	As at 31st March, 2019
Contingent Liabilities		
(A) Claims against the Company/disputed liabilities not acknowledged as debts		
In respect of Excise Duty demand raised, which in the opinion of the Management are not tenable and are under appeal at Custom, Excise & Service Tax Appellate Tribunal, New Delhi.	Nil	Nil
(B) Guarantees		
Outstanding guarantees furnished to various banks in respect of the guarantees given by those banks in favour of various government authorities and others including Letters of Credits	25000000	25000000
Commitments		
(A) Estimated amount of contracts remains to be executed on capital account (Net of advances)	----	----

*The above liabilities are routine business transactions. No provision for the same has been made in the books of accounts.

The previous year figures have been regrouped/reclassified, wherever necessary to confirm to the current year presentation.

DATE : 30.06.2020

PLACE : PANCHKULA

Divya Kothari

(Managing Director)

(Din:03592047)

Subhash Chander

(Additional Director)

(Din: 08681546)

Kamal Kumar Shah

(CFO)

Harsimran Jit Kaur

(Company Secretary)

A) Reconciliation between financial results previously (referred to as the previous Accounting Standards) and the Ind AS for the Year ended 31st March 2019 is as below:

Particulars	For the Year Ended 31.03.2019
Net Profit After Tax (as per previous GAAP)	6599975.89
Add/(Less) adjustment	Nil
Profit After Tax as per Ind AS	6599975.89
Less Other comprehensive loss (net of tax)	Nil
Total comprehensive income for the period as reported under Ind AS	6599975.89

B) Reconciliation between total equity previously reported (referred to as "Previous GAAP" and Ind AS as at 31.03.2019 is as below

Particulars	For the year Ended 31.03.2019
Total Equity(Shareholder's Fund) as per Previous GAAP	123777027.39
Add/(Less) adjustment	Nil
Total Equity as per Ind AS	123777027.39

C) Reconciliation of cash flows for the year ended 31st March 2019

The adjustments as explained above are of non-cash nature and accordingly, there are no material differences in the cash flows from operating, investing and financing activities as per the erstwhile IGAAP and as per Ind AS



1. Corporate Information:

CHD Chemicals Limited (the Company) is a trading company. The Company is doing trading in Chemicals and Textiles..

The Company is a public limited company incorporated and domiciled in India. The address of its Registered Office is 214, Motor Market, Manimajra Chandigarh-160101.

The Financial Statements for the year ended March 31, 2021 were approved by the Board of Directors and authorized for issue on 04th June, 2021

2. Basis for preparation, measurement and significant accounting policies
2.1 Basis for preparation and measurement

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS” as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time under the historical cost convention on the accrual basis.

Effective April 01, 2019 the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, *First time adoption of Indian Accounting Standards, with April 01, 2018 as the transition date*. The transition was carried out from Indian Accounting Principles Generally accepted in India as prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which were previous GAAP.

Accounting Policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to existing accounting standard requires a change in the accounting policy either to in use. The financial statements are presented in Indian Rupees rounded off to the nearest rupees.

2.2 Use of estimates and judgments

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires the management of the Company to make judgments, estimates and assumptions. These estimates, judgments and assumptions after application of accounting policy and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.2.1. Accounting estimates could change from period to period. Accrual results could differ from those estimates. Appropriate changes and estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their affects are disclosed in the notes to the financial statements.

2.2.1. Critical accounting estimates
i. Revenue recognition

Revenue is recognized to the extent that is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Sales are recognized when goods are supplied and the significant risks and rewards or ownership of the goods have passed to the buyer. Dividend income is accounted in the year in which it is received. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

ii. Income Taxes

Significant judgments are involved in determining the provisions for income taxes including amount expected to be paid/incurred on uncertain tax positions. Also refer Note No. 2.3(j)

iii. **Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The change in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets determine by the management at the time asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as change in technology.

2.3. Significant Accounting Policies

a) Property, plant and equipment:

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. The Cost of these assets comprise its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use. Subsequent expenditure relating to an item of assets are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance. All other repairs and maintenance cost are charged to the statement of profit and loss during the period in which they are incurred.

Gains/Losses arising on disposal of property, plant and equipment are recognized in the statement of profit and loss as exceptional items.

Depreciation on fixed assets is provided on straight line method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

b) Inventories:

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence, if any except in case of by-product which are valued at net realizable value. The cost is computed on First in First out (FIFO) basis. Cost for the purpose of valuation of finished goods and goods in process is computed on the basis of cost of material, labour and other related overheads.

c) Cash and Cash Equivalents:

Cash and Cash Equivalents are short term (3 months or less from the date of acquisition), highly liquid investments that are daily convertible into cash and which are subject to and insignificant risk of changes in value.

d) Trade Receivables:

Trade receivables are recognized at fair value.

e) Impairment of Non Financial Tangible Assets:

Property, plant and equipment with finite life are evaluated for recoverability whenever there is an indication that carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e higher of fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flow that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the assets belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

f) Provisions, Contingent Liabilities & Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be out flow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

g) Expenditure:

Expenses are accounted on accrual basis.

h) Employee Benefits:

The company is not liable to pay retirement benefits.

i) Income Taxes:

Income Tax expense for the year comprises both current and deferred taxes. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. It is recognized in the statement of profit and loss. Deferred Income Taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of early years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are reassessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

j) Earnings per Share:

Basic Earnings per Share is computed by dividing profit or loss attributable to equity shareholders of the company by the weighted average number of equity share outstanding during the year.

For the purpose of calculating diluted Earnings per share, the net profit for the period attributable to equity shares and the weighted average number of equity share outstanding during the period is adjusted for the effect of all dilutive potential equity shares.

k) Cash Flow Statement

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS)-7 “Statement of Cash Flows” using the Indirect Method for operating activities.

l) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of cost of such asset. Qualifying asset is one that takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenditure in the period in which these are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

m) Foreign Currency Transactions

No Transaction in Foreign Currency.

n) **Government Grants**

The company has not received any Government grants during the year.

3. **Contingent Liabilities** not provided for in respect of:-

Inland letter of Letter issued by Axis Bank Rs Nil

Bank Guarantee issued by Axis bank Nil (Rs Nil crore in previous year).

4. **LEASES**

The company at present does not have any operational lease contract.

5. **SEGMENT REPORTING**

The Company is in single business segment of Trading.

6. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in Balance Sheet. The provision for all known liabilities is adequate and is neither excess nor short of the amount reasonably necessary.

7. **RELATED PARTY DISCLOSURES**

Disclosures as required by Ind As 24“Related Party Disclosures” are given below:-
List of Related Party:-

S. No	Name	Relation
1	Divya Kothari	Directors/ Key Managerial Personnel
2	Ankit Kothari	
3	Inder Singh	
4	Vijender Singh	
5	Bajrang Lal Kedia	
6	Kamal Kumar Shah	
7	Harsimran Jit Kaur	
8	Kitabwati Kothari	Relatives Of Key Management Personnel
9	Satyaveer Singh Kothari	
10	Suman Sihag	
11	Chanda Kedia	
12	Sumangla Shah	
13	Aditya Shah	
14	Surinder Kaur	
15	M/S A.D. Sales Corp.	Companies/Entity Owned Or Significantly Influenced By Directors/Relatives Of Directors
16	M/S Bharat Udyog	
17	M/S Ankit Trade & Investments Private Limited	
18	M/S Pan Organics Industries	

d) Related Party Transactions :-

Nature of Transactions	31st March, 2021	31st March, 2020
Transaction during the year	Amount	
REMUNERATION		
DIVYA KOTHARI	5.50	6.00
SATYAVEER SINGH KOTHARI	11.00	12.00
RENT PAID		
ANKIT KOTHARI	2.04	2.04
M/S PAN ORGANICS INDUSTRIES	-	1.44

8. Outstanding balances in sundry debtors & creditors are subject to confirmation from the parties.
9. Figures in brackets represent figures of previous year.
10. Previous year's figures have been regrouped and/or rearranged wherever considered necessary.
11. The accelerated outbreak of Coronavirus (Covid-19) across the globe and in India, has substantially disrupted the economic activities with high uncertainty. On 11th March 2020, the Covid-19 outbreak was declared a global pandemic by the World Health Organization (WHO). Consequent to this, Government of India declared lockdown on 24th March 2020, which was further extended from time to time. In line with Government directive, the Company had temporarily shut down its operations since 23rd March 2020, impacting sales and profit of the Company. Operations of the company has gradually started resuming during May 2020.

AS PER OUR REPORT OF EVEN DATE ATTACHED.

FOR R K DEEPAK & CO.
CHARTERED ACCOUNTANTS

ASIM JAIN
M.No.089331
FRN 003145N

Sd/-
Divya Kothari
Director
(Din: 03592047)

Sd/-
Ankit Kothari
Director
(Din: 06883692)

Sd/-
Kamal Kumar Shah
CFO

Sd/-
Harsimran jit kaur
Company Secretary