



KEMISTAR CORPORATION LTD.

CIN No. : L24233GJ1994PLCO22845

604, Manas Complex, Jodhpur Cross Road, Satellite, Ahmedabad-380015,
Gujarat, India. **Ph** : 079-26923570 / 26923587 **Email** : kemistarbse@gmail.com

September 07, 2022

To,
BSE Limited,
Listing Dept. /Dept. of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Scrip code: 531163
Security ID: Kemistar

Dear Sir,

Sub: Notice of 28th Annual General Meeting ("AGM") along with Annual Report of the Company for the Financial Year 2021-22

We would like to inform you that the 28th AGM of the members of the Company is scheduled to be held on Friday, September 30, 2022 through Video Conferencing/OVAM at 12:00 P.M.

In this regard please find enclosed herewith the Notice convening 28th AGM alongwith Annual Report of the Company for the Financial Year 2021-22. The same is available on the website of the company at www.kemistar.in.

Further the information pertaining to remote e-voting for the purpose of the 28th AGM is as follows:

Cut- off date for e-voting	Friday, September 23, 2022
Commencement of e-voting	Tuesday, September 27, 2022
End of e-voting	Thursday, September 29, 2022

Please acknowledge the receipt

Thanking you,

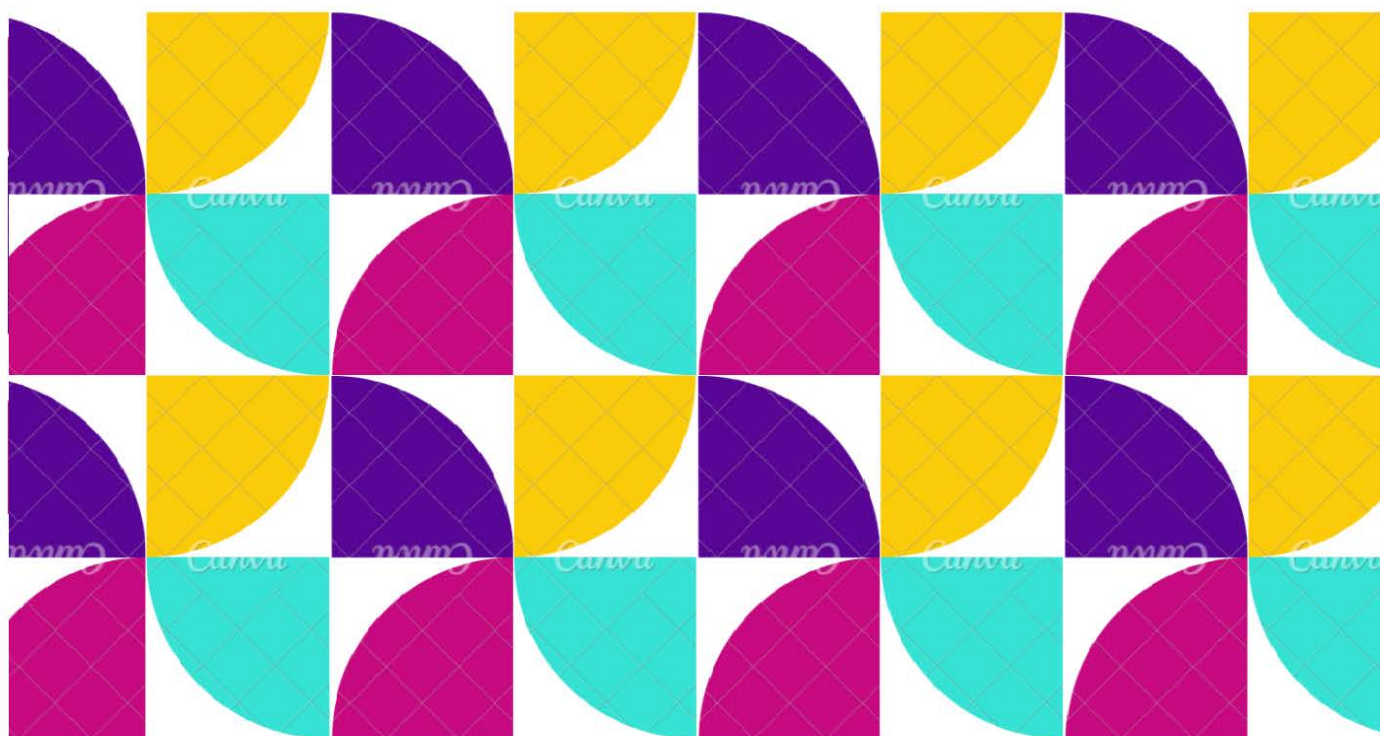
Yours Faithfully,

For, Kemistar Corporation Limited

Trusha Shah
Company Secretary

KEMISTAR CORPORATION LIMITED

ANNUAL REPORT 2021-22







CONTENTS

Corporate Information	04
Financial Highlights	05
Notice	06
Board's Report	23
Report on Corporate Governance	33
Management Discussion & Analysis Report	47
Secretarial Audit Report	51
Independent Auditors Report on Standalone Financial Statements	56
Standalone Financial Statements	66
Independent Auditors Report on Consolidated Financial Statements	80
Consolidated Financial Statements	87

CORPORATE INFORMATION
BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Mr. Ketankumar Patel (DIN: 01157786)	-	Managing Director
Mr. Hrishikesh Dipakbhai Rakholia (DIN: 08699877)	-	Non Executive Director
Mr. Maheshkumar Baldha (DIN: 06542441)	-	Independent Director
Ms. Falguni Patel (DIN: 08781512)	-	Independent Director
Mr. Vasantbhai Babubhai Savalia (till 28.01.2022)	-	Chief Financial Officer
Ms. Nisha Mathew (w.e.f 13.07.2022)	-	Chief Financial Officer

COMPANY SECRETARY

Ms. Trusha Shah

STATUTORY AUDITOR

M/s. S D Mehta & Co.,
Chartered Accountants

SECRETARIAL AUDITOR

M/s. Rohit Periwal & Associates
Practicing Company Secretaries
Ahmedabad

BANKERS

Punjab National Bank
Shastri Park Branch,
Nehrunagar, Ahmedabad

REGISTERED OFFICE

604, Manas Complex,
Jodhpur Cross Road,
Satellite, Ahmedabad-380 015

WEBSITE| MAIL ID

www.kemistar.in | kemistarbse@gmail.com

SHARE TRANSFER AGENT

Purva Shareregistry (India) Private Limited
(Appointment w.e.f 16th March, 2022)

9, Shiv Shakti Industrial Estate,
J.R. Boricha Marg, Opp. Kasturba Hospital,
Lower Parel (East), Mumbai - 400 011
Email: support@purvashare.com

Accurate Securities & Registry Pvt. Ltd.
(upto 15th March, 2022)

203, Shangrila Arcade, Shyamal Cross
Road, Satellite, Ahmedabad – 380015.
Email: accurate.rta@gmail.com

Financial Highlights

2021-2022 Key Figures Consolidated

Revenue

₹ 2092.24 Lakhs

EBITDA

₹170.96 Lakhs

Net Profit

₹ 83.92 Lakhs

Revenue by Business



53%

Colorant

40%

Intermediate

7%

Other Chemical

NOTICE

NOTICE is hereby given that the **Twenty Eighth Annual General Meeting** of the Members of Kemistar Corporation Limited (the “Company”) will be held on Friday, September 30, 2022 at 12:00 P.M through Video Conferencing/ Other Audio Visual Means to transact the following business:

ORDINARY BUSINESS:-

Item No. 1- To adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and the Auditors thereon and in this regard, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

Item No. 2- Appointment of Director liable to retire by rotation.

To appoint Director in place of Mr. Hrishikesh Dipakbhai Rakholia (DIN: 08699877) non-executive non-independent director.

RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 , Mr. Hrishikesh Dipakbhai Rakholia (DIN: 08699877), who retires by rotation at this meeting , be and is hereby appointed as a Director of the Company.

Item No. 3- To declare dividend on Equity shares for the year ended March 31, 2022.

RESOLVED THAT final dividend of ₹ 0.40 on per equity share of ₹ 10/- each as recommended by Board of Directors be and is hereby declared out of profits of the Company for the financial year 2021-22.

SPECIAL BUSINESS:-

Item No. 4- Alteration in the Articles of Association:

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and 5 and other applicable provisions of the Companies Act, 2013 read with rules there under, (including any statutory modification(s) or

re-enactment(s) thereof for the time being in force), the consent of members be and are hereby accorded to alter articles of association of the company in the manner set out herein below:

Article No. 70, the following article/clause shall be inserted to the articles of association of the company:

In Article No. 70, the following sub-clause shall be inserted, namely: -

Sub Clause A of Article No 70: Notwithstanding anything contained in the Article 70 of the Articles of Association of the Company, but subject to the provisions of the Companies Act, 2013 and all other applicable rules of the statutory authorities and the Rules framed by the Board of Directors of the Company in this behalf as amended from time to time by the Board, it shall be open for the Members of the Company who hold the equity shares in the Company to waive/forgo his/their right to receive the dividend (interim or final), fully or partially, by him/them for any financial year/particular declaration of dividend which may be declared or recommended respectively by the Board of Directors of the Company. The waiver/forgoing by the Members, his/ their right to receive the dividend (interim or final) by him/them under this Article shall be irrevocable immediately after the record date/book closure date fixed for determining the names of Members entitled for dividend. The Company shall not be entitled to declare or pay and shall not declare or pay dividend on equity shares to such Members who have waived/forgone his/their right to receive the dividend (interim or final) by him/ them under this Article.

RESOLVED ALSO THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take all such steps and actions including delegation of power and give such directions as may be necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the members or otherwise to end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Place: Ahmedabad

Date: 7th September, 2022

**by order of the Board of Directors
for, Kemistar Corporation Limited**

Sd/-

Ketankumar Patel

Managing Director

(DIN- 01157786)

Registered Office:

604, Manas Complex,

Jodhpur Cross Road,

Satellite, Ahmedabad-380015

Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated 08.12.2021 and Circular No. 21/2021 dated 14.12.2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
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 for 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 EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. 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 the Circulars issued by the Ministry of Corporate Affairs 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 EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.kemistar.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/AGM 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 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
8. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the business set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are provided in the Notice.

9. Pursuant to Regulation 36 of SEBI LODR Regulations, 2015, additional information related to Statutory Auditor recommended for appointment/re-appointment at the Annual General Meeting appears in the Director's Report and Accounts.
10. The relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act 2013, setting out the material facts in respect of the special business under Item No. 3 as set out above is annexed hereto..
11. The register of Members and the share Transfer Books of the Company will remain closed from September 24, 2022 to September 30, 2022 (both days inclusive) for the purpose of annual closing and determines the name of members eligible for final dividend on Equity Shares for the FY 2021-22 if declared at 28th Annual General Meeting.
12. Pursuant to the provisions of Section 124 & 125 of the Companies Act, 2013 the amount of dividend not encashed or claimed within 7(seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The company does not have any unclaimed dividend which will be required to transfer in IEPF.
13. The Company has appointed Mr. Rohit Periwal, Company Secretary to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.
14. Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company.
15. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

In accordance with the said Circular, our RTA shall verify and process the service requests and thereafter issue a 'Letter of confirmation' in lieu of physical securities certificate(s), to the securities holder/claimant. Such 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities.

Unclaimed Equity shares held in the suspense account are maintained with :Pravin Ratilal Share And Stock Brokers Ltd, SAKAR-I 5th Floor, East Wing,Opp.Gandhigram Rly.Stn.,Navarangpura, Ahmedabad,380009 ,Gujarat State, India, vide Client ID: 10927688 and DP ID: IN300982.

In terms of Regulation 39(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, voting rights on shares lying in the Unclaimed Shares Suspense account, shall remain frozen till the rightful owner claims the shares.

16. Members who have not registered / updated their e-mail addresses with Company/ Purva Sharegistry (India) Private Limited., if shares are held in physical mode or with their DPs, if shares are held in electronic mode, are requested to do so for receiving all future communications from the Company including Annual Reports, Notices, Circulars, etc., electronically.

17. Members holding shares in physical mode are required to submit their Permanent Account Number (PAN) to the Company / Purva Shareregistry (India) Private Limited. as mandated by the Securities and Exchange Board of India (SEBI) for every participant in securities market.
18. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or its RTA quoting their Folio number or their Client ID number with DP ID number, as the case may be.
19. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. The share Certificates will be returned to the Members after making requisite changes thereon.
20. All documents referred to in the Notice will be available for inspection at the Company's registered office between 11:00 am and 1:00 pm up to September 29, 2022 on all days (except Saturdays, Sundays and public holidays).
21. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 (Seven) days before the date of the Meeting so that the information required may be made available at the Meeting.
22. Members holding shares in electronic mode:
 - a) are requested to submit their PAN to their respective DPs with whom they are maintaining their demat accounts, as mandated by SEBI for every participant in securities market.
 - b) are advised to contact their respective DPs for availing the nomination facility.
23. Information and instructions relating to Remote e-voting and Video Conferencing/Other Audio Visual Means are as under:

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 the Circulars issued by the Ministry of Corporate Affairs 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 EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.

Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

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 for 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.

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

The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

- I. The remote e-voting period begins on 27th September, 2022 at 9:00 A.M, and ends on 29th September, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

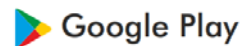
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, they can login through their 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 www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
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 link in www.cdslindia.com home page. 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 provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL.

Login type	Helpdesk details
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
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 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to 33TU33TU rpassociates94@gmail.com with a copy marked to evoting@nsdl.co.in.

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the ["Forgot User Details/Password?"](#) or ["Physical User Reset Password?"](#) option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 kemistarbse@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to kemistarbse@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM 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 in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at kemistarbse@gmail.com. The same will be replied by the company suitably.
6. Registration of Speaker related point needs to be added by company.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM 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 in the EGM/AGM.
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5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at kemistarbse@gmail.com. The same will be replied by the company suitably.

24. INFORMATION ON DIVIDEND:

- Subject to approval of the Members at the AGM, the dividend will be paid within 30 days from the conclusion of the AGM, to the Members whose names appear on the Company's Register of Members / beneficial owners as on the Record Date i.e. Friday, 23rd September, 2022.
- Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. In case the payment of dividend may not be made through electronic mode due to various reason, Dividend warrants / demand drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details.
- Shareholders are requested to register/ update their complete bank details with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialized mode by submitting the requisite documents.

- Pursuant to the amendments introduced by the Finance Act, 2020, the dividend income is taxable in the hands of shareholders. Accordingly, if any resident individual shareholder is in receipt of dividend exceeding ₹ 5,000 in a fiscal year, entire dividend will be subject to TDS @ 10%. The rate of 10% is applicable provided the shareholder has updated his/her Permanent Account Number (PAN) with the depository/ Registrar and Transfer Agent (RTA). Otherwise the TDS rate will be 20%.
- If the dividend to a resident individual shareholder does not exceed ₹ 5,000 in a fiscal year, no TDS will be deducted.
- If the resident individual shareholder provides declaration in Form 15G (applicable to an individual less than 60 years of age and HUF)/ Form 15H (applicable to an Individual who is 60 years and above), no TDS will be deducted.
- **For non-resident shareholder** taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (“DTAA”), read with Multilateral Instrument (“MLI”) between India and the country of tax residence of the member, if they are more beneficial to them. In order to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:
 - Copy of the PAN card allotted by the Indian income tax authorities duly attested by the member or details as prescribed under rule 37BC of Income-tax Rules, 1962
 - Copy of Tax Residency Certificate for fiscal 2022-2023 obtained from the revenue authorities of the country of tax residence, duly attested by member
 - Self-declaration in Form 10F
 - Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty
 - Self-declaration of beneficial ownership by the non-resident shareholder
 - Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the member

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

All the above-mentioned documents should be sent to the Company by post or courier or through e-mail ID on kemistarbse@gmail.com on or before 23rd September, 2022. Failure to do so, will attract higher TDS rates as mentioned in the above paragraphs.

25. INSTRUCTIONS ON RIGHT TO WAIVE DIVIDEND BY SHAREHOLDERS:

- I. Shareholder can waive/forgo the right to receive the dividend (either final and/or interim) if any, declared by the company, to which he is entitled, on some or all the Equity Shares held by him in the Company as on the Record Date i.e. Friday, 23rd September, 2022 fixed for determining the names of Members entitled for such dividend.
- II. However, the shareholders cannot waive/forgo the right to receive the dividend (either final and/or interim) for a part of percentage of dividend on share(s).
- III. The Equity Shareholder(s) who wish to waive/forgo the right to receive the dividend for the Financial Year 2021-22 shall inform in advance to the Company in the prescribed form, which is available on the website of the Company i.e. www.kemistar.in.
- IV. In case of joint holders holding the Equity Shares of the Company, all the joint holders are required to intimate to the Company in the prescribed form (available on the website of the Company) about their decision of waiving/forgoing their right to receive the dividend from the Company.
- V. The prescribed form (available on the website of the Company) once filled with required data asked for, shall be sent to the Company by post or courier or through email ID on kemistarbse@gmail.com on or before Record Date i.e. Friday, 23rd September, 2022.
- VI. Further, for detailed understanding on waiver of dividend, the shareholder can check the Kemistar Corporation (Waiver of Dividend) Rules available on the website of the Company i.e. www.kemistar.in The same has been approved and adopted by the Board of Directors of the Company and which came into effect on 07.09.2022.

26. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

ANNEXURE-1 OF THE NOTICE

AS PER THE REQUIREMENT OF REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS-2), DETAILS INCLUDING THE PROFILE OF DIRECTORS SEEKING RE-APPOINTMENT DUE TO RETIREMENT BY ROTATION, IS GIVEN BELOW:

Name of the Director	Mr. Hrishikesh Dipakbhai Rakholia
Date of Birth / Age	24/10/1997 24 Years
Date of First Appointment	14/02/2020
Qualification	Graduation
Terms and Conditions of appointment or re- appointment	As per the existing terms and conditions
Expertise in Specific functional areas	Expertise in Chemical Industry
Number of shares held in the Company (As on 31.03.2022)	NIL
List of other Companies in which Directorships are held	K.P International Private Limited
Memberships/ Chairpersonships of committees of other Board	NIL
No. of Board Meetings attended during the year 2021-22	5
Relationship with other Directors/ Manager and other Key Managerial Personnel	Nephew of Mr. Ketankumar Patel, Managing Director

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")
SETTING OUT MATERIAL FACTS IN RESPECT OF ITEM NO. 4 TO BE TRANSACTED AT THE
ANNUAL GENERAL MEETING.**

Item No. 4

The Board of Directors in its board meeting held on September 07, 2022 has approved the Alteration in the Article of Association of the Company as set out in item no. 04 of the notice, subject to the approval of members.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, alteration of articles requires approval of members of the company by way of a Special Resolution at a general meeting

The Board of Directors recommends the aforesaid resolution for the approval by the members as a special resolution.

A copy of the existing as well as new Articles of Association of the Company is available for inspection at the Corporate Office of the Company during working hours on any working days.

None of the Director, Manager, Key Managerial Personnel(s) and their relative(s) is/ are concerned or interested, financial or otherwise, in this Resolution set out in the notice

Place: Ahmedabad

Date: 7th September, 2022

**by order of the Board of Directors
for, Kemistar Corporation Limited**

Sd/-
Ketankumar Patel
Managing Director
(DIN- 01157786)

DIRECTORS' REPORT

To
The Members,

KEMISTAR CORPORATION LIMITED

Your Directors are pleased to present the **TWENTY EIGHTH ANNUAL REPORT** along with the Standalone and Consolidated Audited Financial Statements of your Company for the Financial Year ended on March 31, 2022.

1. FINANCIAL RESULTS:-

(In Lakh)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Income from operations	643.85	620.68	2092.24	1403.32
Income from other heads	0.69	5.10	4.84	7.27
Total Expenditure	615.16	601.96	1988.99	1352.40
Profit Before Tax	29.38	23.83	108.09	58.19
Profit After Tax	22.95	18.88	83.92	44.29
Basic and diluted EPS	0.21	0.18	0.78	0.41

2. BUSINESS OVERVIEW

Standalone Basis

The total revenue during the year under review was Rs. 643.85 lakhs against Rs. 620.68 lakhs for the previous year. Profit before Tax Expense for the current year is Rs. 29.38 lakhs (Rs. 23.83 lakhs in previous year). Net Profit after tax amounted to Rs. 22.95 lakhs (Rs. 18.88 lakhs in previous year) thereby resulting increase of around 17%.

Consolidated Basis

As per the Consolidated Financial Statements, the Total Income of the Company, Profit before Tax (PBT), and net profit for the year were Rs. 2097.08 lakhs, Rs. 108.09 Lakhs and 83.92 Lakhs respectively.

3. SHARE CAPITAL

The paid up Equity Share capital of the Company is Rs. 10,75,94,080/- for the year under review. During the year under review, the company has neither issued any shares with differential voting rights nor granted any stock Option nor any sweat Equity Shares.

4. DIVIDEND

The Board of Directors has recommended a dividend of Rs. 0.40/- (Rupees Forty Paise only) per equity share of Rs. 10/- (Ten rupees) each fully paid-up of the Company. Dividend is subject to approval of members at the ensuing annual general meeting and shall be subject to deduction of income tax at source.

Transfer of unclaimed dividend to Investor Education and Protection Fund

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

5. FINANCE:

Cash and Cash equivalent as at March 31, 2022 was Rs.5.17 Lakh. The company continues to focus on adjusting management of its working capital, Receivable, purchases and other working capital parameters were kept under strict check through continuous monitoring.

6. DEPOSIT:

The company has not invited, accepted or renewed any deposit within the meaning of Chapter V other than exempted deposit as prescribed under the provisions of the Company Act, 2013 and the rules framed thereunder, as amended from time to time. Hence there are no particulars to report about the deposit falling under Rule 8(5) (v) and (vi) of the Companies (Accounts) Rules, 2014.

7. SUBSIDIARIES, JVS OR ASSOCIATE COMPANIES

K P International Pvt. Ltd is the Wholly Owned Subsidiary of Company as on 31.03.2022.

In terms of the provisions contained in Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a report of performance and the financial of wholly owned subsidiary is provided as “**Annexure- A**” to this report.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not provided any loan or given any guarantee or provided security in connection with such loan pursuant to section 186 of the Companies Act, 2013 during the year under review. The details of the investments made by Company are as per Schedule V of the Companies Act, 2013.

The details of an investment made by the Company as detailed in the Note No. 5 of the balance sheet of the financial statement :

NOTE : 5 INVESTMENTS	As at 31/03/2022	As at 31/03/2021
Investment in Mutual Funds, Liquid Funds etc.	89,96,337	6,326,896
TOTAL	89,96,337	6,326,896
Note : The above investment, during F.Y. 2021-22, is exclusively made in Nippon India Mutual Fund (Reliance Liquid Fund). In the opinion of company such investment is purely on short-term basis and hence, is treated as a current investment.		

9. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The process of Internal Financial Control over financial reporting is designed to provide reasonable assurance regarding reliability of financial reporting and preparation of financial statements for various external purposes. As per extant guidelines for various financial reporting, the Company requires having adequate internal financial controls over financial reporting to assure reliability of financial reporting and should have risk management systems to counter and mitigate the possible risks involved in the business.

Your Company has established adequate internal financial control systems to ensure reliable financial reporting and compliance with laws and regulations. All resources are put to optimal use and adequately protected against any loss. Internal control systems commensurate with its size and operations to ensure orderly and efficient conduct of business while safeguarding the assets, quality, safety, procurements, finance and accounts and reducing and detecting error.

10. APPOINTMENT AND RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review and upto the date of this report the following changes occurred in the composition of Board and Key Managerial Personnel of the Company:

1. Appointment/ Cessation:

- Mr. Vasantbhai Savalia, Chief Financial Officer of the Company was removed w.e.f 28th January, 2022 due to his untimely demise.
- Ms. Nisha Mathew has appointed as Chief Financial Officer of the Company w.e.f 13th July, 2022.

2. Key Managerial Personnel:

The following are designated as Key Managerial Personnel as on 31.03.2022

- 1) Mr. Ketankumar Patel (Managing Director)
- 2) Ms. Trusha Shah (Company Secretary) : Appointed w.e.f 03.05.2021

The company has complied with the requirements of having Key managerial Personnel as per provisions of section 203 of the companies Act, 2013.

The Company has received the Declarations from all the Independent Directors confirming that they meet the criteria of Independence as prescribed under the provisions of Section 149 of the Companies Act, 2013 read with the schedules and Rules issued thereunder as well as Regulations 16 of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

11. PERFORMANCE EVALUATION OF THE BOARD

Pursuant to the 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 committee and individual Directors, including the chairperson of the Board. The Exercise was carried out through a structured evaluation process covering the various aspects of the Board's functioning such as composition of board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

The evaluation of the independent Directors was carried out by Board, except the independent Director being evaluated and the chairperson and the non-independent Directors were carried out by the independent Directors.

12. REMUNERATION AND NOMINATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of the board members. The detail of this policy is explained in the Corporate Governance Report and also available on www.kemistar.in.

13. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Board of the Company is endlessly focused for the growth and expansion of the Company. It is further involved to strategize the optimum utilization of the available resources and to reduce cost so as to improve the profitability of the Company and also to generate additional opportunities to increase overall performance of the Company.

The Management of the Company is also striving towards becoming a 100% compliant entity and to improve its investor relations by sharing latest and correct information with its stakeholders and thereby creating a transparent atmosphere.

The Board met 5 times during the year under review. The Board held one meeting in each quarter and the gap between any two meetings was not more than one hundred and twenty days as prescribed under the Companies Act, 2013.

The details of attendance of Directors are mentioned in Corporate Governance Report which forms part of this report. Details of the Meeting held and convened during the financial year are as follows:

Sr. No	Date of Board Meeting 2.
1.	May 03, 2021
2.	June 25, 2021
3.	August 13, 2021
4.	November 13, 2021
5.	February 14, 2022

14. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

- In the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had 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, 2022 at the end of the financial year and of the profit and loss of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis; and
- The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. AUDITORS:

I. Statutory Auditors:

The company appointed M/s S. D. Mehta & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 137193W) as Statutory Auditor of the company in the 25th Annual General Meeting for a period of 4 consecutive years, i.e. till the conclusion 29th AGM of the Company.

EXPLANATION ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS MADE BY THE AUDITORS

The Audit for FY 2021-22 was conducted by M/s S. D. Mehta & Co and there are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditor in their Audit Report. The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in the Annual Report.

II. Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed, M/s Rohit Periwal & Associates, Practicing Company Secretary (ACS- 52504, CP No. 22021) Ahmedabad to conduct a Secretarial Audit of the Company's Secretarial and related records for the year ended 31st March, 2022.

III. Cost Auditor:

Company is not covered under Rule 3 and is not falling within the limits as specified under Rule (4) of the Companies (Cost Records and Audit) Rules, 2014, and hence appointment of Cost Auditor is not applicable to the Company.

IV. Internal Auditor:

Pursuant to Section 138 of the Companies Act, 2013 and rules made thereunder company has appointed Ms. Trusha Shah, Company Secretary (Membership No.: A59416) as the Internal Auditor of the Company for the Financial year 2022-23 at the remuneration as may be mutually agreed between the Internal Auditor and the Board of Directors."

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

Your Company has not consumed energy of the significant level and accordingly no measures were taken for energy conservation and no additional investment was made for the reduction of energy conservation.

The particulars regarding technology absorption and foreign exchange earnings and outgo pursuant to section 134 (6) (m) of the companies Act, 2013 are NIL. - **Annexure B**

17. ANNUAL RETURN

The Annual Return of the Company as on 31st March 2022 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company <http://www.kemistar.in/>.

18. CORPORATE GOVERNANCE

The Corporate Governance Report together with the certificate received from the Auditor of the Company regarding compliance with the requirements of Corporate Governance as stipulated under Regulation 34 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2016, form an internal part of this report.-**Annexure C.**

19. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) with Stock Exchange, Management discussion and analysis on the business and operations of the company is attached herewith and forms part of this Annual Report.-**Annexure D.**

20. SECRETARIAL AUDIT

As a measure of good corporate practice, the board of the director of the Company has sought the professional services M/s. Rohit Periwal & Associates, Practicing Company Secretary to conduct Secretarial Audit for FY 2021-22. The Secretarial Audit Report for the financial year end 31.03.2022 is provided in the Annual Report. - **Annexure E.**

The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 2013.

21. CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 made there under, The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

22. PARTICULAR OF EMPLOYEES:

The particulars of employees required to be furnished pursuant to section 197(12) of the Companies Act, 2013 read with sub rules 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, are not applicable to the Company. However, there was no employee in receipt of remuneration under this section. The details required under section 197(12) and under rule 5 of Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act 2013 is provided in the Annual Report as **Annexure 'F'**.

23. RELATED PARTY TRANSACTIONS

During the year 2021-22, the Company had no contracts or arrangements with its related parties as under Section 188(1) of the Companies Act, 2013. There was NIL transaction with related parties for the current year.

24. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earnings and outgoings flow were **NIL**

25. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

In compliance of provisions of Section 177 of the Companies Act, 2013 (“the Act ”), other applicable provisions of the Act, Companies (Meetings of the Board and its Powers), Rules 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) 2015, your Company has establish a vigil mechanism for their directors and employees, so as to report their genuine concerns or grievances.

The vigil mechanism shall provide for adequate safeguards against victimization of person(s) who use such mechanism and make provision for direct access to the chairman of the Audit Committee or the director nominated by the Audit Committee, as the case may be, in exceptional cases.

The functioning of the Whistle Blower mechanism is reviewed by the Audit Committee on regular basis. The Vigil Mechanism and Whistle Blower Policy has been posted on the website of the Company at www.kemistar.in.

26. PREVENTION OF INSIDER TRADING:

Your company has adopted the “Code of Conduct on Prohibition of insider trading” and “Code of Conduct for Directors and Senior Management Personnel” for regulating the dissemination of Unpublished Price Sensitive Information and trading in security by insiders.

27. PREVENTION OF SEXUAL HARASSMENT OF WOMAN AT WORKPLACE:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder and no complaint has been received on sexual harassment during the financial year 2021-22. Further Company has complied with the provisions relating to the constitution of Internal Complaint Committee under the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

28. RISK MANAGEMENT

The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedure and review to ensure that risk is controlled. In the Board’s view, there are no material risks.

29. STATUS OF LISTING FEES

Your Company has been regularly paying listing fees to the BSE, Mumbai where its Equity Shares are listed.

30. DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declarations from all the independent Directors of the Company confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

31. HUMAN RESOURCE

The company considers its employees as its most valuable assets. The company focuses on building an organization through induction and development of talent to meet current and future needs.

32. STOCK EXCHANGES

The Company’s equity shares are listed with the Bombay Stock Exchange.

33. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all the applicable provisions of Secretarial Standard – 1 and Secretarial Standard – 2 relating to ‘Meetings of the Board of Directors’ and ‘General Meetings’, respectively issued by Institute of Company Secretaries of India and approved by the central government under section 118(10) of the Companies Act, 2013.

34. DETAILS OF APPLICATION MADE OR PROCEEDINGS PENDING UNDER INSOLVENCY & BANKRUPTCY ACT, 2016 & THERE STATUS

During the Year under the review, there were no applications made or proceedings pending in the name of the Company under the Insolvency & Bankruptcy Code, 2016 which materially impact the business of the Company.

35. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTION

During the Year under the review, there was no One Time Settlement of loan taken from Banks or any financial Institutions. Hence, the difference in valuation does not arise.

36. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. They also record their appreciation of the devoted services rendered by the Executives, Staff Members and Workers of the Company. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

**by order of board of directors
for, and on behalf of the Company**

Place: Ahmedabad

Date: 7th September, 2022

Registered Office:

604, Manas Complex,
Jodhpur Cross Road,
Satellite, Ahmedabad-380015

Sd/-
Ketankumar Patel
Managing Director
(DIN: 01157786)

Sd/-
Hrishikesh Rakholia
Director
(DIN: 08699877)

ANNEXURE- 'A'

FORM NO. AOC.1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

1. Sl. No. 1
2. Name of the subsidiary: K P International Pvt. Ltd.
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period : N.A
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.
5. Share capital : 3,55,400 equity shares of Rs.10/- each
6. Reserves & surplus: 2,53,07,090/-
7. Total assets: 6,91,67,997/-
8. Total Liabilities: 4,62,80,224/-
9. Investments: 33,91,551/-
10. Turnover: 14,48,39,034/-
11. Profit before taxation : 78,71,426/-
12. Provision for taxation : 17,74,691/-
13. Profit after taxation : 60,96,735/-
14. Proposed Dividend: 0.00
15. % of shareholding : 100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures- NIL

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date			
2. Shares of Associate/Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding %			

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated			
5. Net worth attributable to Shareholding as per latest audited Balance Sheet			
6. Profit / Loss for the year			
i. Considered in Consolidation			
i. Not Considered in Consolidation			

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

ANNEXURE 'B'

Information pursuant to prescribe Section of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of Board of Director) Rules, 1988:

A. Conservation of Energy:

A.	Power & fuel Consumption	2021-22	2020-21
1.	Electricity		
	A. Purchased	-	-
	Units	-	-
	Total amount Rs.	-	-
	Rate/units	-	-
	B. Own Generation:	-	-
	i. Through diesel generator	-	-
	Diesel Kl	-	-
	Unit	-	-
	Oil	-	-
	Cost/unit Rs.	-	-
	ii. Through steam turbine /generator	-	-
	Unit	-	-
	Unit per litre of fuel	-	-
	Oil/gas	-	-
	Cost per unit	-	-
2.	Coal(Specify quality & where used)	-	-
	Quantity (tones)	-	-
	Total cost avg. rates	-	-
3.	Furnace oil/SHS	-	-
	Quantity (KL)	-	-
	Total Cost	-	-
	Avg. rate Rs./KL	-	-
4.	Other/ internal generation	-	-

FORM B

Form for disclosure of particulars with respect to absorption)

Research and Development (R & D):

1. Special areas in which R&D carried out by the Company.
2. Benefits derived as a result of the above R&D.
3. Future plan of action.
4. Expenditure on R &D.

Technology absorption, adaptation and innovation:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
2. Benefits derived as a result of the above efforts.
3. In case of imported technology:
 - (a) Technology imported
 - (b) Year of import
 - (c) Has technology been fully absorbed?
 - (d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action
 - (e)

The production technology is indigenously developed and the company is carrying out its activities with its trained and experienced staff.

There is no separate R &D

The technology has been developed has fully absorbed the production indigenously and the Company has technology.

The Company has not sued any imported technology.

ANNEXURE 'C'

CORPORATE GOVERNANCE

INTRODUCTION

The Directors present the company's Report on Corporate Governance as set out in SEBI (Listing Obligation and Disclosure Requirement). This Report sets out the Compliance status of the company with the requirements of Corporate Governance for Financial Year 2021-22.

Corporate Governance pertains to systems by which Companies are directed and controlled by keeping in mind the long term interest of shareholders and also balancing interest of employees, Government and the society at large.

THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

In India, The Securities Exchange Board of India ("SEBI") on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations"). The corporate governance philosophy of the Company has been further strengthened with the adoption of the Code of Conduct

The Company's philosophy on Corporate Governance envisages attainment of highest level of transparency, integrity, equity, openness, fairness and accountability in all faces of its functioning and its interactions with shareholders, employees, government, regulatory bodies and community at large.

The Directors of the Company are committed to maintain high standards of Corporate Governance in conducting its business and ensure that an effective self-regulatory mechanism exists to protect the interest of our stakeholders (Investors, Customers, Suppliers, employees and Government)

The Board of Directors presents a composite Corporate Governance report on the compliance of the Indian Listing Requirements in the following paragraphs

BOARD OF DIRECTORS

In compliance with the code of Corporate Governance, the composition of Board of Directors comprised of both Executive and Non-Executive Directors & Independent Directors.

As on March 31, 2022, the Board comprised of 4 Directors which include One Executive Director, One Non-Executive Director & Non-Independent Directors and two Non-Executive Directors & Independent Directors.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26 (1) of the Listing Regulations), across all the Companies in which he/ she is a Director. None of the Directors of your Company hold memberships/Chairmanships in other company. All the Directors have made the necessary disclosures regarding committee positions.

The Board of the Company is a balanced board comprising Executive and Non-Executive Directors. As on 31 March, 2022, the total strength of Board of Directors consists of 3 directors, comprising of:-

Category	No.	Percentage to total No. of Directors
Executive Directors	1	25.00%
Non-Executive Non Independent	1	25.00%
Non-Executive Independent	2	50.00%
Total	4	100%

A. The constitution of the Board as on 31.03.2022

Name of Director	Designation	Category	Directorship in Other Public Limited Companies	Committee Membership of other Companies
Mr. Ketankumar Patel	Managing Director	Executive	AGRO CHEMICALS MANUFACTURERS ASSOCIATION OF INDIA	NIL
Mr. Maheshkumar Baldha	Director	Non-Executive-Independent	NIL	NIL
Ms. Falguni Patel	Director	Non-executive-Independent	NIL	NIL
Mr. Hrishikesh Rakholia	Director	Non-Executive- Non Independent	NIL	NIL

B. Attendance of each director at the Board Meeting and the last Annual General Meeting

Sr no.	Name of Directors	No. of Board Meetings Attended	Last Annual General Meeting
1	Mr. Ketankumar Patel	05	Yes
2	Mr. Maheshkumar Baldha	05	Yes
3	Ms. Falguni Patel	05	Yes
4	Mr. Hrishikesh Rakholia	05	Yes

C. Number of other board of directors or committees in which a directors is a member or chairperson : NIL**D. Number of Board Meeting held and the dates on which such meeting were held.**

Four Board Meetings were held during the 12 months accounting period ended 31-3-2022. The dates of such Board Meeting are as follows:

Sr. No.	Date of Board Meeting
1.	May 03, 2021
2.	June 25, 2021
3.	August 13, 2021
4.	November 13, 2021
5.	February 14, 2022

E. Disclosure of Relation between Directors Inter se:

Mr. Hrishikesh Rakholia is the nephew of Mr. Ketankumar Patel

F. Disclosure of Shares held by Non Executive Director:

Mr. Hrishikesh Rakholia – No shares held

G. Familiarization program for Independent Directors:

The detailed information regarding familiarization program for Independent Directors are provided on the website of the Company at www.kemistar.in

Board Procedure

The Board of Directors meets once in a quarter to review the performance and financial results of the Company. The detailed Agenda and the explanatory notes are circulated well in advance to the Directors in accordance with the Secretarial Standards.

The Chairman/Managing Director briefs the Directors at every Board Meeting on the overall performance of the Company. All major decisions/ approvals are taken at the Board Meeting.

Number of other Board of Directors or committees in which a director is a member or chairperson.

None of the directors of the board are chairman or members on any other committees of any other companies.

Evaluation of Board

In terms of applicable provisions of the Companies Act, 2013 read with Rules framed there under and Part D of Schedule II of the Listing Regulations and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director to be carried out on an annual basis.

Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2021-22.

Number of Shares and convertible instruments held by Non-Executive Director

Sr. No.	Name of Directors	No. of Shares held
1	Mr. Hrishikesh Rakholia	0
2	Mr. Maheshkumar Baldha	0
3	Ms. Falguni Patel	0

Code of Conduct

The Board has formulated Code of Conduct for all Board members and senior level employees of the Company. Requisite annual affirmations of compliance with the Code have been made by the Board member and senior level employees for the financial year 2021-22. Annual Declaration by the Managing Director to this effect is annexed at the end of this report.

COMMITTEES OF THE BOARD

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board as a part of good corporate governance practice. The Board supervises these committees and minutes of the all the committees are placed before the board for review.

Currently there are Three (3) committees of the Board.

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee

1. AUDIT COMMITTEE:

The Audit Committee is, inter alia, entrusted with the responsibility to monitor the financial reporting, audit process, determine the adequacy of internal controls, evaluate and approve transactions with related parties, disclosure of financial information and recommendation of the appointment of Statutory Auditors.

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management.

The Board of the company has constituted the audit committee comprising two independent directors.

Independent Director is chairman of the committee. The Company Secretary acts as secretary to the committee. The Audit Committee comprised as follows as on 31.03.2022.

Sr. No.	Name of Director	Designation
1.	Maheshkumar Baldha	Chairperson
2.	Ketankumar Patel	Member
3.	Falguni Patel	Member

The Audit Committee meetings were held on following dates during the financial year 2021-22.

Sr. No.	Date of meeting
1.	June 25,2021
2.	August 13, 2021
3.	November 13,2021
4.	February 14,2022

They have considered the draft account, internal Audit Reports and quarterly results. Attendance during the accounting year ended 31.03.22 is as under:

Sr. No.	Name of Director	Designation	Meeting Attended
1.	Mr. Maheshkumar Baldha	Chairperson	04
2.	Mr. Ketankumar Patel	Member	04
3.	Ms. Falguni Patel	Member	04

The terms of reference of the Audit Committee are as set out in Clause 49 of the Listing Agreement with the Stock Exchanges, under the Companies Act and with any other applicable laws. The Audit Committee reviews the financial statements of Company and also performs the following functions:

- 1) To review the audit plan and Company's external auditors report;
- 2) To review the co-operation given by the Company's officers to the external auditors;
- 3) To review the financial statements of the Company before their submission to the Board;
- 4) To review the scope and results of internal audit procedures;
- 5) To nominate external auditors for re-appointment; and
- 6) To review interested person transaction
- 7) Evaluation of Whistle Blower mechanism and its functioning

2. SHARHOLDERS' RELATIONSHIP COMMITTEE

The constitution and terms of reference of Stakeholder Relationship Committee of the Company are in compliance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. The Committee comprises of following Directors as on 31.03.2022.

Sr No.	Name of Director	Designation
1.	Mr. Maheshkumar Baldha(Non Executive Director)	Chairman
2.	Mr. Hrishikesh Dipakbhai Rakholia	Member
3.	Ms. Falguni Patel	Member

An investor's grievance committee specifically looks into the redressal of investor's complaints like transfer of shares, non-receipt of balance sheet etc. There is no shareholder grievance pending against the company.

The Committee approves the matters relating to:

- 1) Oversee and review all matters connected with the transfer of the Company's securities.
- 2) Monitor Redressal of investors' / shareholders' / security holders' grievances.
- 3) Oversee the performance of the Company's Registrar and Transfer Agents.
- 4) Recommend methods to upgrade the standard of services to investors.
- 5) Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

The Compliance Officer is entrusted with the responsibility to specifically look into the redressal of the shareholders and investors complaints and report the same to the Stakeholders' Relationship Committee.

No transfers of shares were pending as on 31st March 2022.

Details of Shareholders' Complaints:-

Details of Complaints Received	Nos.
Number of Shareholders' Complaints received From 01.04.21-31.03.2022	0
Number of Complaints resolved during the year	0
Number of Pending Complaints on 31.03.2022	0

3. NOMINATION & REMUNERATION COMMITTEE

The constitution and terms of reference of nomination and remuneration committee of the Company are in compliance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015.

The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II). The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of law and the Nomination and Remuneration Policy:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) Formulation of criteria for evaluation of Independent Director and the Board of Directors;
- 3) Devising a policy on Board Diversity;

- 4) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
- 5) Carry out the evaluation of every director's performance and formulate criteria for evaluation of Independent Directors, Board/Committees of Board and review the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;
- 6) To extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors;
- 7) Reviewing and recommending to the Board, the remuneration, payable to Directors of your Company; and
- 8) Undertake any other matters as the Board may decide from time to time.

The Board has set up a Nomination & Remuneration committee for the Company which decides the Remuneration of all the directors and senior management members of the Company. The Committee comprises of following Directors as on 31.03.2022:

SR NO.	Name of Director	Designation	Meeting Attended
1.	Mr. Maheshkumar Baldha	Chairperson	02
2.	Mr. Hrishikesh Dipakbhai Rakholia	Member	02
3.	Ms. Falguni Patel	Member	02

No remuneration was paid to the Managing Director or any director during the year under review and the same is in compliance with all the applicable provisions of the Companies Act, 2013 and the rules framed there under.

INDEPENDENT DIRECTORS MEETING

(A) Performance evolution criteria for independent Directors. .

- a) Evaluation of the performance of Non- independent Directors as a whole.
- b) Evaluation of performance of the chairman of the company, taking into account the views of Executive Directors;
- c) Evaluation of quality, content and timelines of flow information between the management and board that is necessary for the board to effectively and reasonably perform its duties.

(B) Composition: Meeting and attendance during the year

Name of independent Director	No. of meetings during the year	
	Held	Attended
Mr. Maheshkumar Baldha	1	1
Ms. Falguni Patel	1	1

3. GENERAL BODY MEETINGS

(A) Location and time where the last three AGM /EGM were held:

Financial Year	Category-Date	Time	Venue
2020-21	Annual General Meeting 30/09/2021	11:00 AM	Through Video Conferencing/ Other Audio Visual Means
2019-20	Annual General Meeting 29/09/2020	12:00 PM	Through Video Conferencing/ Other Audio Visual Means
2018-19	Annual General Meeting 20/09/2019	11:00 AM	604, Manas Complex, Jodhpur Cross Road, Satellite, Ahmedabad – 380015.

(B) Special Resolution put through last 3 AGM's

AGM 18-19	<ol style="list-style-type: none"> 1. Regularization of Mr. Parshottambhai Patel (DIN: 02458676) as Non-Executive Director of the Company. 2. Re-Appointment of Mr. Ketankumar Patel (DIN: 01157786) as Managing Director. 3. The Company is desirous of Incorporating an Overseas Subsidiary in the United States of America (USA) in order to undertake and expand the business operations of the Company in the International Market.
AGM 19-20	<ol style="list-style-type: none"> 3. Regularization of Mr. Hrishikesh Dipakbhai Rakholia (DIN: 08699877) as Non Executive Non Independent director of the company. 4. Regularization of Ms. Falguni Patel (DIN: 08781512) as Independent director of the company
AGM 20-21	No Special Resolution passed

MEANS OF COMMUNICATION

The Unaudited quarterly/half yearly financial statements are announced within 45 days of the end of the quarter. The aforesaid financial statements are taken on record by the Board of Directors and are communicated to the Bombay Stock Exchange where the Company's securities are listed. The financial results were declared on following dates

Sr. No	Quarter	Date
1	Quarter 1	25.06.2021
2	Quarter 2	13.08.2021
3	Quarter 3	13.11.2021
4	Quarter 4	14.02.2022

The financial results are declared in Lokmitra (Gujarati publication) and Free press Gujarat (English publication) for Quarter 1 & and in Financial Express (Gujarati publication) and Indian Express (English publication) for Quarter 2,3 & 4 also updated on the website at www.bseindia.com and www.kemistar.in.

Once the stock exchange have been intimated these results are given by way of a press release to news agency and published within 48 hours in two leading daily newspapers – one in English and one in Gujarati.

GENERAL SHAREHOLDERS'INFORMATION

Annual General Meeting	
Date &Time	September 30, 2022, 12.00 P.M.
Venue	604, Manas Complex, Jodhpur Cross Road, Satellite, Ahmedabad – 380015
Financial year	2021-22
Name & Address of Stock exchange	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001
Stock code	531163
Registrar and Transfer Agent:	Purva Sharegistry (India) Pvt. Ltd. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel(East), Mumbai400011.

	support@purvashare.com
Address for Correspondence	604, Manas Complex, Jodhpur Cross Road, Satellite, Ahmedabad – 380015 Ph: 079 2692 3570/87 Mail: kemistarbse@gmail.com

The Company in compliance with SEBI guidelines has appointed Purva Shareregistry (India) Pvt. Ltd. As common share transfer agent for Physical and Electronic form of shareholding.

DATE OF BOOK CLOSURE: The Register of Members and Share Transfer Books of the Company was closed from 24th September, 2022 to 30th September, 2022 (both days are inclusive).

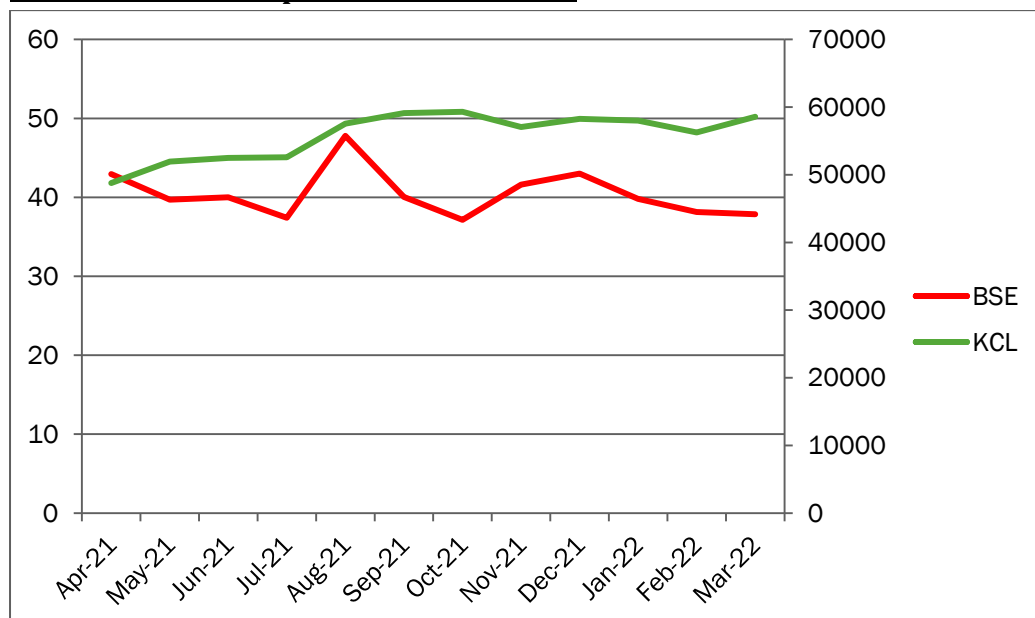
RECORD DATE : The Company has fixed Friday, 23rd September, 2022 as the 'Record Date' for determining entitlement of members to receive dividend for the financial year ended 31st March, 2022, if approved at the AGM.

SHARE MARKET PRICE DATA

The Monthly high and Low prices and volumes of share at and Bombay Stock Exchange Limited for the year ended on 31 March, 2022 are as under:-

Month	Kemistar Corporation Ltd			No. of Shares	Turnover (Rs.in thousands)
	High	Low	Close		
Apr-21	44	39.9	42.95	30,114	12,78,645
May-21	42.95	37	39.7	25,081	10,23,526
Jun-21	48.8	33.9	40	43,476	18,77,017
Jul-21	46.95	33.7	37.4	58,981	24,43,882
Aug-21	54.7	29.15	47.8	57,692	24,32,299
Sep-21	49.9	35.1	40.05	46,524	19,50,698
Oct-21	43.5	34.2	37.15	26,274	10,44,767
Nov-21	42.45	34.2	41.6	22,126	8,48,623
Dec-21	45.75	35.25	43	33,173	13,50,636
Jan-22	45	37.1	39.8	30,095	12,08,002
Feb-22	45.25	35	38.15	23,742	9,19,612
Mar-22	42.8	32.5	37.85	23,499	8,44,286

Performance in comparison to BSE Sensex.



Distribution of shareholding as on 31.03.2022

Category of shareholder	No. of share holders	No of fully paid up equity shares	% of share holding	No of Locked in shares	% of locked in shares as total of shares held	No. of shares in dematerialized form	% of shares in dematerialized form as total of shares held
Promoter & Promoter group	12	80,67,632	74.98	0	0	80,67,632	100
Public	1823	26,91,776	25.02	0	0	26,05,312	96.79
Total	1835	1,07,59,408	100	0	0	1,06,72,944	99.20

OTHER DISCLOSURES

(A) Related Party Transactions

The Company has formulated Related Party Transaction Policy, which is in compliance with the provisions of the Companies Act, 2013 and Listing Regulations. The policy can be accessed on the website of the Company at the web link: <http://kemistar.kp-group.in/wp-content/uploads/2022/05/Policy-on-Related-Party-Transaction.pdf>

During the year 2021-22, there were no transactions with any of the related parties. All the related party contracts / arrangements and transactions entered into by the Company were put forth for the prior approval of the Audit and Board and members, as applicable, in compliance with the said policy.

(B) Details of non-compliance by the listed entity on any matter related to capital markets, during the last three years: NIL

(C) Whistle blower policy

The Board has adopted a Whistle Blower Policy for the Company, under which the Company has institutionalized a mechanism for the stakeholders to disclose their concerns and grievances on unethical behavior and improper/ illegal practices and wrongful conduct taking place in the Company for appropriate action. The policy is available on the website of the Company at <http://kemistar.kp-group.in/wp-content/uploads/2022/05/cp-VIGIL-MECHANISM-WHISTLE-POLICY.pdf>

During the year, functioning of the Whistle Blower mechanism was reviewed by the Audit and Risk Management Committee on a quarterly basis.

(D) Compliance with all the mandatory requirements of Corporate Governance

The Company has complied with all the mandatory requirements of Corporate Governance applicable to the Company.

(E) Material Subsidiary Policy

The Company has formulated a Policy for determining "Material Subsidiary" and the same was revised during the year to give effect to the amendments in Listing Regulations. The revised policy is available on the Company's website at <http://kemistar.kp-group.in/wp-content/uploads/2022/05/cp-MATERIAL-SUBSIDIARY.pdf>

(F) Certificate of Practicing Company Secretary

The Company has obtained a certificate from M/s Rohit Periwal & Associates, Practicing Company Secretaries, Ahmedabad stating that none of the Directors on the Board of the Company have been debarred/ disqualified from being appointed / continuing as Directors of any company, by the SEBI and Ministry of Corporate Affairs or any such Statutory authority.

(G) Protection of Women against Sexual Harassment at Work Place

Pursuant to the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder, the Company has adopted a "Policy on Protection of Women against Sexual Harassment at Work Place". During the year, no complaints were filed in the said matter.

(H) Compliance with Corporate Governance

The Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

(I) Unclaimed Shares Lying In Demat Suspense Account

In terms of the provisions of Regulation 39(4) read with Schedule VI of SEBI (LODR) Regulations, the unclaimed share certificates are required to be dematerialized and transferred to "Unclaimed Suspense Account". As required under SEBI (LODR) Regulations, the Company sent reminder letters to the shareholders, whose share certificates were returned undelivered or unclaimed. For the Financial Year 2021-22 there were no unclaimed equity shares were lying in the escrow account. The voting rights in respect of unclaimed shares held in Unclaimed Suspense Account stands frozen in terms of Regulation 39 read with Schedule VI of SEBI (LODR) Regulations, till the rightful owners of such shares claim them.

(J) Request to Investors

- Investors holding shares in physical mode are requested to communicate change/ updating of PAN, KYC (Bank details, Mobile Number, Address, Demat Account details) and Nomination and such other

requests for all shareholders, if any, directly to the Registered Office or the Share Transfer Agent (STA) of the Company through specified forms for registering/changing KYC details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 are available on our RTA's website at <https://www.purvashare.com/faqs/> and are also available in Companies Website at <http://kemistar.kp-group.in/shareholders-information> -Simplified Norms for furnishing Nomination and KYC details.

- Investors holding shares in electronic form are requested to deal only with their Depository Participant (DP) in respect of change of address, bank account details, etc.

(K) Green Initiative

Electronic copy of full Annual Report are being sent to all the members whose email IDs are registered with the Company / Depository Participants. Members are requested to support this initiative and register their e-mail ids promptly with DPs in case of electronic shares or with the STA, in case of physical shares. As per the circular of MCA and SEBI, the Company has sent the Annual Report for the financial year 2021- 22 only through email to the shareholders who have registered their email id.

CODE OF BUSINESS CONDUCT & ETHICS FOR DIRECTOR'S/MANAGEMENT PERSONNEL

The Code of Business Conduct & Ethics for Director's/Management Personnel ('the Code'), as recommended by the Corporate Governance and Stakeholders' Interface Committee and adopted by the Board, is a comprehensive Code applicable to all Directors and management personnel. The declaration regarding Compliance with the Code of Business Conduct and Ethics is annexed at the end of this report.

COMPLIANCE CERTIFICATE OF THE AUDITORS

The Company has obtained a Certificate from the Practicing Company Secretary confirming compliance of Conditions of the Code of Corporate Governance requirements applicable to the company under Regulation 17 to 27, Clause (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**by order of board of directors
for, and on behalf of the Company**

Place: Ahmedabad

Date: 7th September, 2022

Sd/-
Ketankumar Patel
Managing Director
(DIN: 01157786)

Sd/-
Hrishikesh Rakholia
Director
(DIN: 08699877)

Registered Office:

604, Manas Complex,
Jodhpur Cross Road,
Satellite, Ahmedabad-380015

DECLARATIONS

Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Kemistar Corporation Limited Code of Business Conduct and Ethics for the year ended March 31, 2022.

For, Kemistar Corporation Limited

Place: Ahmedabad

Date: 7th September, 2022

Registered Office:

604, Manas Complex,
Jodhpur Cross Road,
Satellite, Ahmedabad-380015

**Sd/-
Ketankumar Patel
Managing Director
(DIN: 0115786)**

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
KEMISTAR CORPORATION LIMITED
604, Manas Complex,
Near Jodhpur Cross Road,
Satellite, Ahmedabad,
Gujarat- 380015

I have examined all the relevant records of **KEMISTAR CORPORATION LIMITED** for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended March 31, 2022. I have obtained all the information's and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the company for ensuring the compliance of the conditions of the Corporate Governance.

In my opinion to the best of my information and according to the explanations and information furnished to me, I certify that the company has complied with all the Regulation 17 to 27, Clause (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I state that such compliance 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. This Certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

Place: Ahmedabad
Date: 7th September, 2022

For, Rohit Periwal & Associates
Company Secretaries

Rohit Periwal
Proprietor
FCS No.: 12203
C.P. No.: 22021
UDIN: F012203D000931396
Peer Review Cer. No.: 2202/2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

To,
The Members of
Kemistar Corporation Limited
604, Manas Complex,
Near Jodhpur Cross Road,
Satellite , Ahmedabad-380015

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kemistar Corporation Limited having CIN L24233GJ1994PLC022845 and registered office at 604, Manas Complex, Near Jodhpur Cross Road, Satellite, Ahmedabad Gujarat-380015 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificates, in accordance with Regulation 34(3) read with Schedule V Para-C Clause – 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company, as stated below for the financial year ended 31 March, 2022, have been debarred or disqualified from being appointed or continuing as Director by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority.

Sr.No.	Name of Director	DIN	Date of Appointment in Company
1.	Ketankumar Parashottamdas Patel	01157786	30/09/2011
2.	Maheshkumar Dhanjibhai Baldha	06542441	27/04/2018
3.	Hrishikesh Dipakbhai Rakholia	08699877	14/02/2020
4.	Falguni Patel	08781512	06/07/2020

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 7th September, 2022

For, Rohit Periwal & Associates
Company Secretaries

Rohit Periwal
Proprietor
FCS No.: 12203
C.P. No.: 22021
UDIN: F012203D000931431
Peer Review Cer. No.: 2202/2022

Annexure -D'

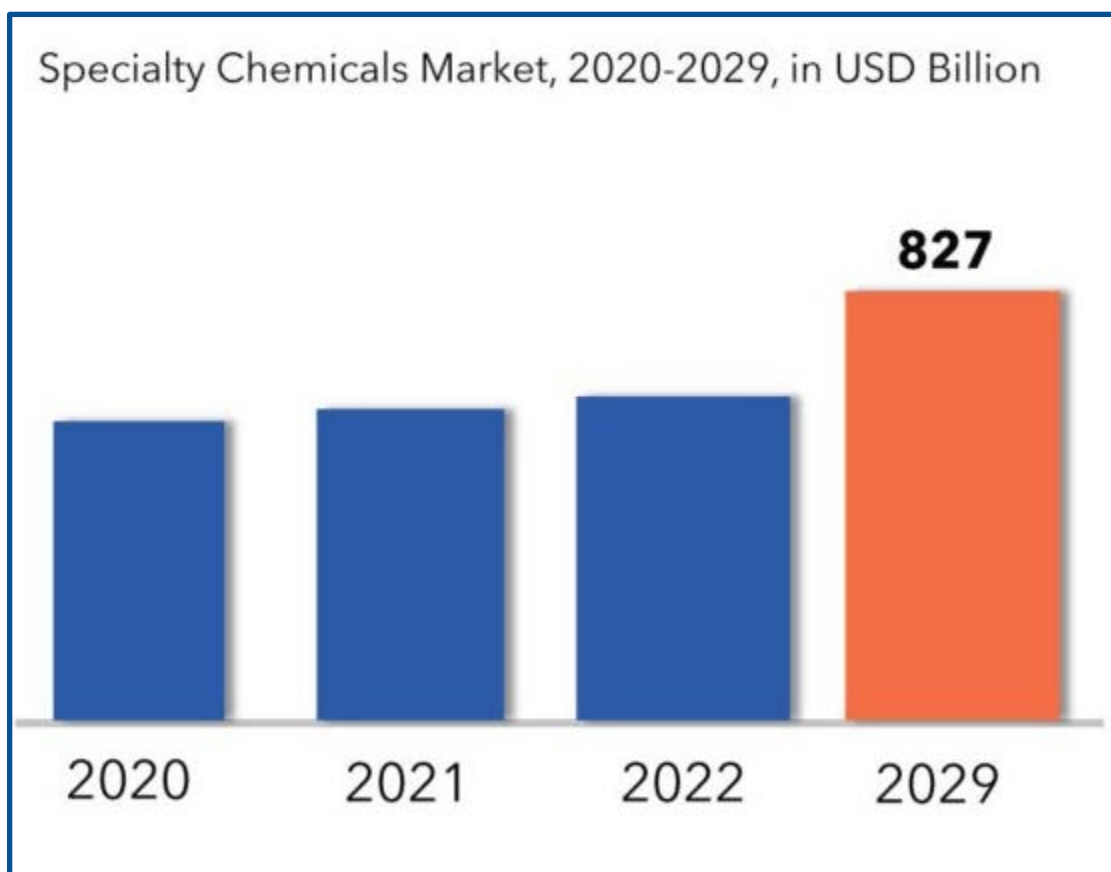
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

- **GLOBAL CHEMICAL INDUSTRY OVERVIEW AND OUTLOOK:**

- **SPECIALTY CHEMICALS**

Specialty Chemicals are used by a plethora of manufacturing industries such as textiles, oil and gas, ink additives, constructions, foods and cosmetics. The Chemical composition and effectiveness of these compounds determine their value. With the world becoming increasingly concerned about health and safety, the growth in sales of industrial and institutional clearance (I&I), disinfectants and sanitizers have expanded at a swifter rate than usual.

The Asia-Pacific region dominated the specialty chemicals market, and it is likely to retain its position during the forecast period due to robust growth of the construction sector, increasing demand for cosmetic products, growing investment and production. The global specialty chemical market is projected to reach USD 827 Billion by 2029 from USD 576 Billion in 2020, at a CAGR of 4.1% from 2022 to 2029.



(Source: Exactitude Consultancy)

- **INDIAN CHEMICAL INDUSTRY OVERVIEW AND OUTLOOK:**

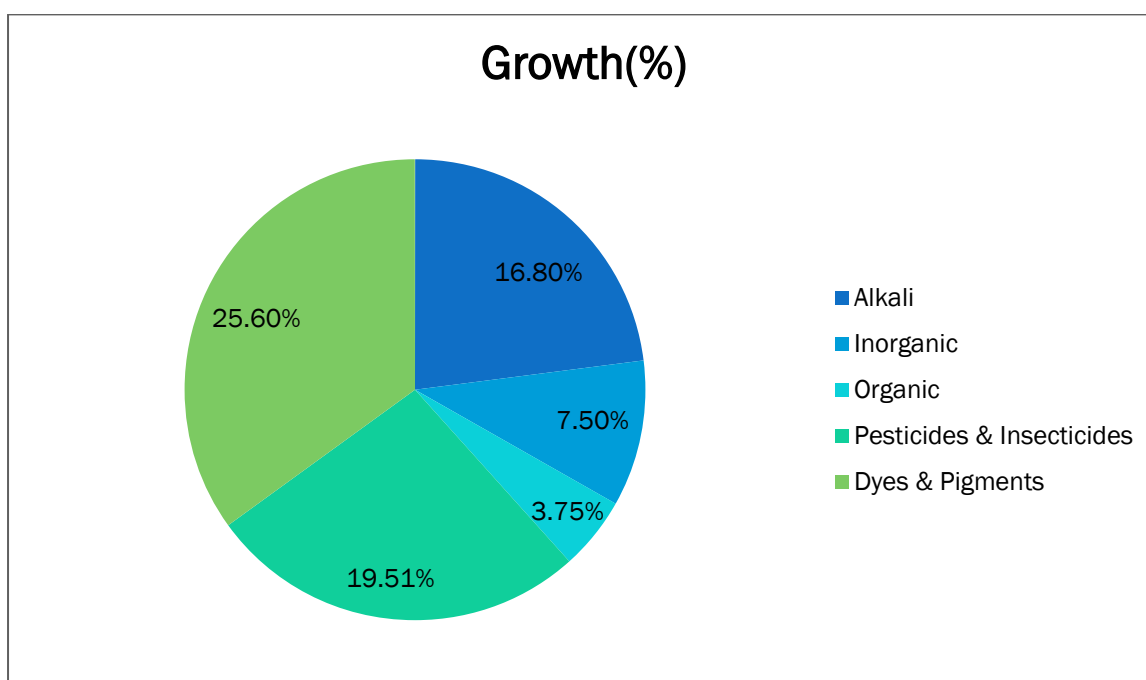
India ranks 6th largest sales of chemicals globally and contributes 3% to the global chemical Industry. The country ranks 14th in exports and 8th in imports of chemicals worldwide. The domestic chemicals sector's

small and medium enterprises are expected to showcase 18-23% revenue growth in FY22, owing to an improvement in domestic demand and higher realisation due to high prices of chemicals.

Specialty chemicals account for 20% of the global chemicals industry's US\$ 4 trillion, with India's market expected to increase at a CAGR of 12% to US\$ 64 billion by 2025. This gain would be driven by a healthy demand growth (CAGR of 10-20%) in the export/end-user industries.

With global companies seeking to de-risk their supply chains, which are dependent on China, the chemical sector in India has the opportunity for a significant growth.

- **OVERALL GROWTH IN PRODUCTION OF MAJOR CHEMICALS IN 2021-22**



(Source: Invest India)

Growth performance in Chemical sectors is result of the following Factors:

- **Government Initiatives:** The government plans to introduce production-linked incentive (PLI) scheme to promote domestic manufacturing of agrochemicals. The Indian Government supports the Industry through research & development and initiatives such as reducing basic customs duty on several imported products and promoting the 'Make in India' campaign.
 - **Foreign Direct Investment:** FDI inflows in the chemicals sector (other than fertilizers) reached US\$ 19.09 billion between April 2000 to December 2021. In November 2021, Indian Oil Corporation (IOCL) announced plans to invest Rs. 3,681 crore (US\$ 495.22 million) to set up India's first mega-scale maleic anhydride unit for manufacturing high-value specialty chemicals at its Panipat Refinery in Haryana.
- (Souce:IBEF)

- **COMPANY OVERVIEW**

- **SEGMENT AND PRODUCT PERFORMANCE**

The Company operates through three verticals- Specialty chemicals, Agro chemicals and Chemical intermediaries. Through its subsidiary company K.P International Limited Company is having manufacturing facility at GIDC, Dahej. After successfully started production from June-2021, Company has gained domestic client network and also increased their Export. For further expansion and to achieve attractive future growth, Company is currently working on Phase-III Production. The company is having potential export market in various countries like USA, Spain, Turkey, Brazil, Thailand, Korea, Mexico, Japan and Indonesia.

FY 2021-22 ended on a good note despite of having temporary disruption and adverse microeconomic situation, the Company managed to have healthy revenue growth as well as it continues to meet the commitments. With the vision of expansion of Capacity, the Company have worked for the best Results.

▪ FINANCIAL PERFORMANCE

Revenue of the Company increased from 620.68 Lakhs to 643.85 Lakhs. Profit After Tax grew from 18.88 Lakhs to 22.95 Lakhs during the year. Despite of many challenges, the Company's EBIDTA grew from 97.86 Lakhs to 170.96 Lakhs, an increase of 74.70% on YoY Basis.

	Year to date (2021-22) (In Lakhs)	Year to date (2020-21)	YoY %
Revenue	2097.08	1410.59	48.67
EBITDA	170.96	97.86	74.70
PAT	83.92	44.29	89.48
EPS	0.78	0.41	90.24

• DEVELOPMENT IN HUMAN RESOURCES:

The most valuable resources are the employees of the Company hence the Company always believes to have balanced environment. When the Company strategize the different areas, healthy and smooth functioning goes simultaneously. Consistency in quality, efficiency and customer satisfaction are always prioritized above all by the Company.

• Cautionary Statement

Certain statements contained in the Management Discussion and Analysis may be statements of the Company's beliefs, plans and expectations about the future and other forward-looking statements that are based on management's current expectations or beliefs as well as a number of assumptions about the Company's operations and factors beyond the Company's control or third party sources and involve known and unknown risks and uncertainties that could cause actual results to differ materially from those

contemplated by the relevant forward-looking statements. Forward-looking statements contained in the Management Discussion and Analysis regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. There is no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Annual Report.

For and on behalf of the Company

Place: Ahmedabad
Date: 7th September, 2022

Sd/-
Ketankumar Patel
Managing Director
(DIN: 01157786)

Sd/-
Hrishikesh Rakholia
Director
(DIN: 08699877)

Registered Office:
604, Manas Complex,
Jodhpur Cross Road,
Satellite, Ahmedabad - 380015

ANNEXURE 'E'

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022

[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,
Kemistar Corporation Limited,
604, Manas Complex,
Jodhpur Cross Road,
Satellite, Ahmedabad-380015

Sirs,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kemistar Corporation Limited (Corporate Identification Number: L24233GJ1994PLC022845) (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 mine opinion thereon.

Based on mine verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in mine opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (upto 10th November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (with effect from 11th November, 2018); (Not Applicable to the Company during the Audit Period)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021(with effect from 13th August, 2021).
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from 9th August, 2021); (Not Applicable to the Company during the Audit Period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period)' and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (upto 10th September 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (with effect from 11th September 2018); (Not Applicable to the Company during the Audit Period)
- (v) I have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.
- (vi) As declared by the Management, at present there is no law which is specifically applicable to the Company

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that:

Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions in the Board is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further 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.

I further report that during the Audit period the Company has no specific events/actions having a major bearing on the Companies Affairs in pursuant of the above referred Laws, Rules, Regulations, Guidelines, Standards etc.

Place: Ahmedabad

Date: 7th September, 2022

For, Rohit Periwal & Associates
Company Secretaries

Rohit Periwal
Proprietor
FCS No.: 12203
C.P. No.: 22021
UDIN: F012203D000931319
Peer Review Cer. No.: 2202/2022

To,
The Members,
Kemistar Corporation Limited,
604, Manas Complex,
Jodhpur Cross Road,
Satellite, Ahmedabad-380015

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Mine responsibility is to express an opinion on these secretarial records based on mine audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, i followed provide a reasonable basis for mine opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, i have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Mine examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad
Date: 7th September, 2022

For, Rohit Periwal & Associates
Company Secretaries

Rohit Periwal
Proprietor
FCS No.: 12203
C.P. No.: 22021
UDIN: F012203D000931319
Peer Review Cer. No.: 2202/2022

ANNEXURE 'F'

Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) rules 2014

1. Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31 March, 2022. **NIL**
2. The percentage increase in remuneration of each director CFO, CEO, Company Secretary or Manager, if any, in the financial year 2021-22: **NIL**
3. Percentage increase in median remuneration of employees in the financial year – **NIL**
4. The number of permanent employees on the rolls of the company as on 31 March, 2022 – 5
5. Affirmation that the remuneration is as per the remuneration policy of the company:

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

**For and on behalf the board of directors
Kemistar Corporation Limited**

Place: Ahmedabad

Date: 7th September, 2022

**Sd/-
Ketankumar Patel
Managing Director
(DIN : 01157786)**

Registered Office:

604, Manas Complex,
Jodhpur Cross Road,
Satellite, Ahmedabad - 380015

Independent Auditors' Report

To the Members of,
Kemistar Corporation Limited

1. Opinion

We have audited the accompanying Ind-AS Standalone Financial Statements of **Kemistar Corporation Limited (the "Company")** which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Standalone Financial Statements") .

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("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 Standards) 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, 2022, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone 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 Standalone 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key Audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our 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.

2. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in the section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the respective Management and Board of Directors are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors are also responsible for overseeing the financial reporting process of each company.

3. Auditor's Responsibility for the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone 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 financial 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 the 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 ability of the Group 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 Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Standalone Financial Statements.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance of the Company and such other entities included in the Standalone Financial Statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

4. Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section (11) of section 143 of the Companies Act, 2015 we give in the "Annexure-A" a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
- II. As required by section 143(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the afore said Standalone Financial Statements;
 - b. In our opinion proper books of account as required by law relating to preparation of the afore said Standalone Financial Statements have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss including other comprehensive Income, Statement of changes in equity and Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Standalone Financial Statements.

- d. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 over financial reporting 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 internal financial controls over financial reporting of those companies.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and accordance to the explanation given to us:
 - i. The company does not have any pending litigations which would impact its financial position.
 - 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.
 - iv. (a) The respective Managements of the Company, whose Standalone Financial Statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Company, whose Standalone Financial Statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company whose Standalone Financial Statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

V. In Our Opinion and according to the information and explanation given to us, the company has not declare any dividend.

For, **S. D. Mehta & Co.**
Chartered Accountants
(Registration No. 137193W)

Date: 25th May, 2022
Place: Ahmedabad

Sd/-
Shaishav D. Mehta
Partner
M.No.: 032891
UDIN: 22032891ALPQNM7199

Annexure-A to Independent Auditors' Report

Referred to in Paragraph 4(i) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. In respect of Property, Plant and Equipment and Intangible Assets:

- a. The Company is maintained proper records showing full particulars, including quantitative details and situations of Property, Plant and Equipment and relevant details of right-of-use assets.
The Company does not have any intangible assets. Accordingly, reporting under clause (1)(b) of the Order is not applicable.
- b. The Property, Plant and Equipment and right-of-use assets are physically verified by the management at regular intervals and in our opinion is reasonable having regard to the size of Company and the nature of its assets. Pursuant to the verification a portion of the Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e. The company doesn't have any proceedings initiated or are pending against for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there.

2.

- a. Inventories have been physically verified by the management at reasonably regular intervals during the year.
 - b. In my opinion and according to the information and explanation given to me, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to me, there were no material discrepancies noticed on physical verification of inventory as compared to the book of accounts.
 - d. The para of having working capital limit sanctioned in excess of Rs.5 crores is not applicable to the company as the company does not have any sanctioned working capital limit.
3. The Company has neither made any investment nor granted any loans secured or unsecured to any companies, firms or other parties covered in the register required to be maintained under section 189 of the Companies Act, 2013.
 4. The Company has complied with the provisions of section 185 and section 186 of the Companies Act 2013 in respect of the loans granted, investments made and guarantees and securities provided, as applicable.
 5. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
 6. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

7. In respect of Statutory Dues:

- a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax,

Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it 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-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- b. According to the information and explanation given to us, there were no dues of Goods and services tax, sales tax, Income tax and Cess which have not been deposited on account of any dispute.
8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- 9.
- a. The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
 - b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
 - d. On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company
 - e. On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - f. The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- 10.
- a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 - b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- 11.
- a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - c. We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- 14.
- In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. In our opinion during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16.
- In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
 - In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20.
- In our opinion, as per section 135 of the Act, no amount was required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year. Accordingly, reporting under clause (xx) of the Order is not applicable to the Company.

Date: 25th May, 2022

Place: Ahmedabad

For, **S. D. Mehta & Co.**
Chartered Accountants
(Registration No. 137193W)

Sd/-
Shaishav D. Mehta
Partner
M.No.: 032891
UDIN: 22032891ALPQNM7199

Annexure-B to Independent Auditors' Report

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Kemistar Corporation Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the Standalone 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 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 Companies Act, 2013.

Auditors' 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 Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 controls 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 Standalone 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 system 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 Standalone 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone 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 (3) 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 Standalone 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, 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 31 March 2022, 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.

Date: 25th May, 2022
Place: Ahmedabad

For, **S. D. Mehta & Co.**
Chartered Accountants
(Registration No. 137193W)

Sd/-
Shaishav D. Mehta
Partner
M.No.: 032891
UDIN: 22032891ALPQNM7199

KEMISTAR CORPORATION LIMITED					
Standalone Balance Sheet as at 31st March, 2022				(Amount in Lakhs)	
Particulars	Note no.	For the year ended 31st March,2022		For the year ended 31st March,2021	
A. ASSETS					
(1) Non-current assets					
(a) Property, Plant & Equipment	1	19.15		22.71	
(b) Financial Assets:					
(i) Investments	2	1,073.08		1,073.08	
(ii) Loans		-		-	
(c) Other Non-current assets	3	3.57		7.14	
			1,095.80		1,102.93
(2) Current assets					
(a) Inventories	4	30.43		-	
(b) Financial Assets :					
(i) Investments	5	89.96		63.27	
(ii) Trade receivables	6	141.39		221.68	
(iii) Cash and cash equivalents	7	5.17		9.75	
(iv) Loans	8	294.00		299.50	
(c) Other current assets	9	7.92		5.68	
			568.88		599.88
Total Assets			1,664.67		1,702.80
B. EQUITY AND LIABILITIES					
(1) Equity					
(a) Equity Share capital	10	1,075.94		1,075.94	
(b) Other Equity	11	473.74		446.93	
Sub-Total Equity			1,549.68		1,522.87
(2) Non Current Liabilities					
(a) Financial Liabilities		-		-	
(b) Provisions		-		-	
(c) Deffered Tax Liabilities		0.33		0.33	
			0.33		0.33
(3) Current Liabilities					
(a) Financial Liabilities :					
(i) Trade payables	12	100.36		156.37	
(ii) Borrowings	13	6.18		11.36	
(b) Other current liabilities		-		1.63	
(c) Provisons	1	8.12		10.24	
Sub-Total Current Liabilities			114.66		179.59
Total Equity and Liabilities			1,664.67		1,702.80
Significant Accounting Policies					
Notes to Financial Statements	1 to 22				

As per our report of even date attached herewith.

For, S. D. Mehta & Co.
Chartered Accountants
FRN: 137193W

For and on behalf of the board of
Kemistar Corporation Limited

Shaishav D. Mehta
Partner
M.No. 032891

Ketan P. Patel
Director
DIN : 01157786

Hrishikesh
Director
DIN: 08699877

Place: Ahmedabad
Date: 25-05-2022

Trusha Shah
CS (A59416)

UDIN : 22032891ALPQNM7199

KEMISTAR CORPORATION LIMITED			
Standalone Statement of Profit and Loss for the year ended on 31st March, 2022		(Amount in Lakhs)	
Particulars	Note no.	For the year ended 31st March,2022	For the year ended 31st March,2021
(I) Revenue from operations	2	643.85	620.68
(II) Other Income	3	0.69	5.10
(III) Total Income (I+II)		644.54	625.79
(IV) EXPENSES			
Cost of Materials Consumed		-	-
Purchase of Stock -in-Trade		616.19	578.53
Changes in Inventories of Finished goods, Work-in-Progress and by products	4	(30.43)	1.41
Employee Benefits Expense	5	6.35	5.48
Finance Costs	6	0.87	1.29
Depreciation and Amortization Expense	1	3.56	4.34
Other Expenses	7	18.62	10.91
Total Expenses (IV)		615.16	601.96
(V) Profit Before Tax (III-IV)		29.38	23.83
(VI) Tax Expenses :			
(1) Current tax		6.43	4.95
(2) Deferred tax		-	-
(VII) Profit for the year (V-VI)		22.95	18.88
Earning per equity share of face value of Rs. 10 each	8	0.21	0.18
Basic & Diluted (In Rs.)			
Significant Accounting Policies			
Notes to Financial Statements	1 to 22		

As per our report of even date attached herewith.

For, S. D. Mehta & Co.
Chartered Accountants
FRN: 137193W

For and on behalf of the board of
Kemistar Corporation Limited

Shaishav D. Mehta
Partner
M.No. 032891

Ketan P. Patel
Director
DIN : 01157786

Hrishikesh Rakholia
Director
DIN: 08699877

Place: Ahmedabad
Date: 25-05-2022
UDIN : 22032891ALPQNM7199

Trusha Shah
CS (A59416)

KEMISTAR CORPORATION LIMITED

Notes on Financial Statements for the year ended 31st March 2022

(Amount in lakhs)

NOTE :2 NON-CURRENT INVESTMENTS

As at 31/03/2022

As at 31/03/2021

Investment in Shares (Unquoted)

Equity instruments of K. P. International Pvt Ltd

1,073.08

1,073.08

TOTAL

1,073.08

1,073.08

NOTE :3 OTHER NON-CURRENT ASSETS

As at 31/03/2022

As at 31/03/2021

Deferred Expenditure (Preliminary and Pre-operative expense etc)

3.57

7.14

TOTAL

3.57

7.14

Note : 1/5th of the deferred expenditure have been charged to revenue during the year.

NOTE : 4 INVENTORIES

As at 31/03/2022

As at 31/03/2021

Finished Goods

30.43

-

TOTAL

30.43

-

NOTE : 5 INVESTMENTS

As at 31/03/2022

As at 31/03/2021

Investment in Mutual Funds, Liquid Funds etc.

89.96

63.27

TOTAL

89.96

63.27

Note : The above investment, during F.Y. 2021-22, is exclusively made in Reliance Liquid Fund. In the opinion of company such investment is purely on short-term basis and hence, is treated as a current investment.

NOTE : 6 TRADE RECEIVABLES

As at 31/03/2022

As at 31/03/2021

(Unsecured and considered good)

Over six Months

0.40

0.40

Others

140.99

221.28

TOTAL

141.39

221.68

NOTE: 7 CASH & CASH EQUIVALENTS	As at 31/03/2022	As at 31/03/2021
Cash on hand	3.45	7.83
Bank Balance	1.72	1.92
	<hr/>	<hr/>
TOTAL	<u>5.17</u>	<u>9.75</u>

NOTE : 8 LOANS- CURRENT ASSETS	As at 31/03/2022	As at 31/03/2021
Unsecured Advances		
Other Advances	294.00	299.50
	<hr/>	<hr/>
TOTAL	<u>294.00</u>	<u>299.50</u>

Note : The above advances have been advanced to its wholly owned subsidiary company and in nature of inter corporate deposits.

NOTE : 9 OTHER CURENT ASSETS	As at 31/03/2022	As at 31/03/2021
Balance with Revenue Authoroties	7.92	5.68
	<hr/>	<hr/>
TOTAL	<u>7.92</u>	<u>5.68</u>

Note : Balance with Revenue Authorities includes Advance Tax, GST Credit, TCS Receivables

NOTE : 10 SHARE CAPITAL	As at 31/03/2022	As at 31/03/2021
AUTHORISED SHARE CAPITAL :		
1,20,00,000 Equity Shares of Rs. 10/- each	<u>1,200.00</u>	<u>1,200.00</u>
	1,200.00	1,200.00
ISSUED ,SUBSCRIBED & PAID UP CAPITAL :		
1,07,59,408 Equity Shares of Rs. 10 each fully paid up	<u>1,075.94</u>	<u>1,075.94</u>
	<hr/>	<hr/>
TOTAL	<u>1,075.94</u>	<u>1,075.94</u>

10.1 The details of shareholders holding more than 5% of Equity shares

Name of Shreholder	As at 31/03/2022		As at 31/03/2021	
	No. of Share	% Held	No. of Share	% Held
Anjana Ketankumar Patel	1,364,440.00	13%	1,364,440.00	13%
Shantaben Parshottamdas Patel	1,213,800.00	11%	1,213,800.00	11%
Ketankumar Parshottamdas Patel	2,947,004.00	27%	1,113,014.00	10%
Patel Parshottamdas M. (HUF)	836,400.00	8%	8,36,400.00	8%
Patel Ketankumar Parshottamdas HUF	661,500.00	6%	661,500.00	6%
Hiralben Dipakkumar Patel	633,264.00	6%	612,000.00	6%

10.2 The reconciliation of the number of shares outstanding is set out below.

Particulars	As at 31/03/2022 No. of Shares	As at 31/03/2021 No. of Shares
Equity shares at the beginning of the year	10759408	10,759,408.00
Add: Shares issued during the year	0	-
Equity shares Outstanding at the end of the year	10759408	10,759,408.00

10.3 Terms /rights attached to equity shares

(i) Equity : The company has equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to have one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.

NOTE : 11 RESERVES AND SURPLUS	As at 31/03/2022	As at 31/03/2021
Profit & Loss Account		
As per last Balance Sheet	446.93	428.05
Less:		
Short / Excess Provision for I. Tax	(3.85)	-
Add: Profit during the year	22.95	18.88
Securities Premium Account	-	-
TOTAL	473.74	446.93

NOTE :12 TRADE PAYABLES		As at 31/03/2022	As at 31/03/2021
Trade payables		100.36	156.37
	TOTAL	100.36	156.37
NOTE : 13 SHORT TERM BORROWINGS		As at 31/03/2022	As at 31/03/2021
Car Loan		6.18	11.36
	TOTAL	6.18	11.36
NOTE : 14 SHORT TERM PROVISIONS		As at 31/03/2022	As at 31/03/2021
For Expenses		1.68	0.62
For Tax		6.43	9.61
	TOTAL	8.12	10.24
NOTE : 15 REVENUE FROM OPERATIONS		As at 31/03/2022	As at 31/03/2021
Sale of Products		643.85	620.68
Other Operating Revenues		-	-
	TOTAL	643.85	620.68
NOTE : 16 OTHER INCOME		As at 31/03/2022	As at 31/03/2021
Capital Gain		0.69	5.09
Misc.Income		0.00	0.01
	TOTAL	0.69	5.10
NOTE : 17 CHANGE IN INVENTORIES OF FINISHED GOODS		As at 31/03/2022	As at 31/03/2021
Inventories (at close)			
Finished Goods		-	1.41
Inventories (at commencement)			

Finished Goods	30.43	-
TOTAL	30.43	(1.41)

NOTE : 18 EMPLOYEE BENEFITS EXPENSE

As at 31/03/2022

As at 31/03/2021

Salaries & Wages	5.80	4.82
Leave Encashment Expense	-	0.26
Bonus	0.55	0.39
TOTAL	6.35	5.48

NOTE : 19 FINANCE COST

As at 31/03/2022

As at 31/03/2021

Bank and other Financial Charges	0.87	1.29
TOTAL	0.87	1.29

NOTE : 20 OTHER EXPENSES

As at 31/03/2022

As at 31/03/2021

Administrative Expenses

As Auditor :

Statutory Audit Fees	0.80	0.50
Advertisement Expense	0.80	0.38
Legal , Professional & Consultancy Exp.	3.41	1.24
Penalty to SEBI	1.00	-
Software/Web Designing Expense	0.57	0.03
Vehicle Repairing Expense	1.82	0.74
ROC Filing Fees	0.10	0.05
Compliance Fees in BSE, NSDL and CDSL	3.90	3.90
Postage and Courier expense	0.02	0.01
Printing and Stationery expense	0.48	0.04
Preliminary Expense Written Off	3.57	3.57
Office Expense	0.73	-
Other Administrative Expenses	0.70	0.05
Insurance Expense	0.42	0.42

Selling & Distribution Expenses

Freight & Octroi expenses	0.30	-
TOTAL	18.62	10.91

NOTE : 21 EARNING PER SHARE**As at 31/03/2022****As at 31/03/2021**

i) Net profit after tax as per statement of profit and loss attributable to Equity Shareholders (Rs. in Lakhs)	22.95	18.88
ii) Weighted Average number of equity shares used as denominator for calculating EPS	10,759,408	10,759,408
iii) Basic & Diluted Earning per share (Rs.)	0.21	0.18
iv) Face value per equity share (Rs.)	10.00	10.00

KEMISTAR CORPORATION LIMITED**NOTES TO FINANCIAL STATEMENTS****NOTE - 1 : FIXED ASSETS****(Amount in Lakhs)**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.2021	Additions	Sales / Transfers	As at 31.3.2022	As at 31.3.2021	For the Year	Adjustment Sales/Trans	As at 31.3.2022	As at 31.3.2022	As at 31.3.2021
Land	1.11	-	-	1.11	-	-	-	-	1.11	1.11
Computer System	1.10	-	-	1.10	0.97	0.04	-	1.01	0.09	0.13
Motor Vehicle(Toyota Innova)	25.23	-	-	25.23	6.53	3.38	-	9.91	15.32	18.70
TOTAL	31.86	-	-	31.86	1.65	3.56	-	12.71	19.15	22.71

Kemistar Corporation Ltd.

Cash flow statement for the year ended 31st March' 2022

(Amount in lakhs)

Particulars	For the year ended 31st March,2022		For the year ended 31st March,2021	
	Amount	Amount	Amount	Amount
(A) Cash flow from operating activities				
(1) Net profit after tax and extraordinary items		22.95		18.88
ADD:(I) Depreciation	3.56		4.34	
(ii) Provision for income tax	6.43		4.95	
(iii) Preliminary Expense	3.57		3.57	
(iv) Loss from partnership firm	-		-	
LESS: (i) Deferred tax Asset				
(ii) Kasar and vatav (Income Tax Provision of earlier Year W/o)	-		-	
		13.56		12.85
(2) Operating profit before working capital changes		36.51		31.73
Working capital changes				
Add: (i) Decrease in Current Assets (Except Cash & Cash Equivalents)	85.71		71.86	
(ii) Increase in Current Liabilities	-		22.07	
Less: (i) Decrease in Current Liabilities	64.85		6.42	
(ii) Increase in Current assets (Except Cash & Cash Equivalents)	59.36	(38.51)	1.19	86.32
(3) Cash generated from operating before tax		(2.00)		118.05
Less: Income Tax Paid		2.57		4.95
(4) Cash flow before extraordinary items		(4.57)		113.11
Add/ (less) extraordinary items				
Net cash inflow / outflow from operating activities After tax & extraordinary items		(4.57)		113.11
(B) Cash flow from investing activities				
Add : Proceeds on account of changes in Investments	-		31.41	
Less : Purchase of Fixed assets & Investments			-	
Net Cash inflow / outflow from investing activities		-		31.41
(C) Cash flow from financing activities				
Add : Changes in Long term Loans & Advances	-		-	
Proceeds of Share Capital				
Increase In securities premium				
Less : Advances given	-		145.50	
Less : Repayment of Loans				
Net cash inflow / outflow from financing activities		-		(145.50)
(D) net increase / decrease in cash & cash equivalent		(4.57)		(0.99)
(E) Add: Cash & Cash Equivalents in the beginning of the year		9.75		10.73
(F) Cash & Cash Equivalents at the end of the year		5.17		9.75

For, S. D. Mehta & Co.
Chartered Accountants
FRN: 137193W

Shaishav D. Mehta
Partner
M.No. 032891

Place: Ahmedabad
Date: 25-05-2022
UDIN : 22032891ALPQNM7199

For and on behalf of the board of
Kemistar Corporation Limited

Ketan P. Patel
Director
DIN : 01157786

Hrishikesh Dipakbhai Rakholia
Director
DIN:
08699877

Trusha Shah
CS (A59416)

Note 22: Notes to the financial statements

1. Basis of preparation of financial statements

(i) Statement of compliance and basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable. All amounts included in the financial statements are reported in Indian rupees. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

(ii) Basis of measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis.

(iii) Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

(a) Revenue recognition: The Company uses the accrual method for income earned for sale of goods.

(b) Impairment testing: Investments in subsidiaries are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value.

(c) Income taxes: Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

(d) Deferred taxes: Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

2. Significant accounting policies

(i) Functional and presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

(ii) Foreign currency transactions and translation

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and

liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net within results of operating activities.

(iii) Financial instruments

(a) Non-derivative financial instruments:

Non derivative financial instruments consist of:

- Financial assets, which include cash and cash equivalents, trade receivables, employee and other advances, investments in equity and debt securities and eligible current and noncurrent assets;
- financial liabilities, which include long and short term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value. Financial assets are re-recognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

A. Cash and cash equivalents

The Company's cash and cash equivalents consist of cash on hand and in banks.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand and in banks.

B. Investments

Investments in equity instruments:

The Company carries certain Liquid funds which are registered under SEBI and traded on Stock Market, the said funds are not held for trading. The company has recorded its investment in equity instruments at its acquisition cost.

Investments in subsidiaries:

Investment in subsidiaries is measured at cost less impairment.

C. Other financial assets:

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets.

The company has not opted for measuring such assets at amortized cost as there is no fixed expectation of that asset being recovered in future.

These comprise trade receivables, unbilled revenues, cash and cash equivalents and other assets.

D. Trade and other payables

Trade and other payables are initially recognized at fair value. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

(b) De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for de-recognition. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a borrowing for the proceeds received. Certain financial instruments have been derecognized in event of non-holding of control over such asset and such assets were not reasonably expected to fetch any future cash inflows, and the same have been written off.

A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(iv) Equity**(a) Share capital and share premium**

The Authorized share capital of the Company as of March 31, 2022, is Rs. 12,00,00,000/- divided into 1,20,00,000 equity shares of Rs. 10 each. The Paid Up share capital of the company as of March 31, 2022 is Rs. 10,75,94,080/- divided into 1,07,59,408 equity shares of Rs. 10 each. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as share premium. Every holder of the equity shares, as reflected in the records of the Company as of the date of the shareholder meeting shall have one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

(b) Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes including earlier years' carried forward retained earnings.

(v) Property, plant and equipment**(a) Recognition and measurement**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

(b) Depreciation

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. Freehold land is not depreciated. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

Category	Useful life
Buildings	28 to 40 years
Computer equipment and software	2 to 7 years
Motor Vehicle	10 to 12 years

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost of property, plant and equipment not available for use as at each reporting date is disclosed under capital work-in-progress.

(vi) Impairment**(A) Financial assets**

The Company applies the expected credit loss model for recognizing trade receivables and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables and lease receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account historical credit loss experience adjusted for forward looking information.

(vii) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

(viii) Revenue

The Company derives revenue primarily from trading of chemical products Activity.

(a) Products

Revenue from products are recognized when the significant risks and rewards of ownership have been transferred to the buyer, continuing managerial involvement usually associated with ownership and effective control have ceased, the amount of revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(b) Others

- Revenues are shown net of Goods and Service Tax and applicable discounts and allowances.
- The company has made investment in certain liquid funds which are held for investment for a period shorter than 12 months. During the year company has made gains out of sale of such investments and the same has been considered under the head Other Income.

(ix) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss.

a. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

b. Deferred income-tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

(x) Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share are computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period.

3. Notes on Transition to Ind AS

These financial statements are prepared in accordance with Ind AS. For years up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Indian GAAP (i.e. Previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS for periods ending on March 31, 2022, together with the comparative period data as at and for the year ended March 31, 2021.

4. Related Party Disclosures As Per Ind AS 24

Names of related parties and description of relationship from/ to which following transactions were entered during the year:

a) *The related parties are :*

Sr. No.	Names of related parties	Nature of relationship
1	Trusha Shah	Key Managerial Person
2	KP International Pvt. Ltd.	Wholly owned Subsidiary Co.

b) *The Company has entered into the following transactions with the related parties for the year ended March 31, 2022 and 2021:*

Sr. No.	Nature of Transaction	Name of person / entity	Amount (Rs.)	
			2022	2021
1	Loans and Advances Given	KP International Pvt. Ltd.	7,50,000/-	1,45,50,000/-
2	Remuneration	Trusha shah	2,93,231/-	-
3	Purchase	K P International Pvt Ltd	14,160/-	-

The Company has the following balances outstanding as of March 31, 2022 and March 31, 2021

Balances at the year end	Name of individual / entity	Amount (In Rs.)	
		2022	2021
Under the Head Investment	K P International Pvt. Ltd.	10,73,08,054/-	10,73,08,054/-
Unsecured Advances	K P International Pvt. Ltd.	2,94,00,000/-	2,99,50,000/-

For, **S. D. Mehta & Co.**
Chartered Accountants
(Registration No. 137193W)

Shaishav D. Mehta
Partner
Membership No.: 32891

For and on behalf of the board
Kemistar Corporation Limited

Ketan Patel **Hrishikesh Rakholia**
Director Director
DIN:01157786 DIN: 08699877

Place: Ahmedabad
Date: 25th May, 2022
UDIN : 22032891ALPQNM7199

Trusha Shah
CS (A59416)

Independent Auditors' Report

To the Members of,
Kemistar Corporation Limited

1. Opinion

We have audited the accompanying Ind-AS Consolidated Financial Statements of **Kemistar Corporation Limited (hereinafter referred to as the 'Holding Company') and its Subsidiary (Holding Company and its subsidiaries together referred to as "the Group")**, which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Consolidated Financial Statements") .

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("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 Standards) 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, 2022, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated 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 Consolidated 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key Audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

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

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our 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.

2. Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in the section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

3. Auditor's Responsibility for the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated 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 financial 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 the 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 ability of the Group 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 Consolidated 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 Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Financial Statements.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

4. Other Matters

The accompanying statement includes the audited financial statements and other financial information in respect of wholly owned subsidiary, whose financial statement include total asset of Rs. 1280.74 Lakhs as at March 31, 2022, total revenues of Rs. 788.15 Lakhs and Rs. 1452.54 lakhs, total net profit after tax of Rs. 16.11 Lakhs and Rs. 60.97 Lakhs, total comprehensive income of Rs. 16.11 Lakhs and Rs. 60.97 Lakhs, for the quarter and the year ended on that date respectively, and net cash inflows of Rs. 9.29 lakhs for the year ended March 31, 2022, as considered in the statement which have been audited by their respective independent auditors.

The independent auditors report on the financial statements of these entity have been furnished to us by the management and our opinion on the statement in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on the reports of such auditor and procedure performed by us as stated in paragraph above.

5. Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the afore said Consolidated Financial Statements;
- b. In our opinion proper books of account as required by law relating to preparation of the afore said Consolidated Financial Statements have been kept by the Company so far as appears from our examination of those books.
- c. The Balance Sheet, Statement of Profit and Loss including other comprehensive Income, Statement of changes in equity and Statement of Cash Flow dealt with by this Report are in agreement with the

relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and accordance to the explanation given to us:

- I. The company does not have any pending litigations which would impact its financial position.
- 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.
- IV. (a) The respective Managements of the Company, whose Consolidated Financial Statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company, whose Consolidated Financial Statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company whose Consolidated Financial Statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the

representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

V. In Our Opinion and according to the information and explanation given to us, the company has not declare any dividend.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

Date: 25th May, 2022

Place: Ahmedabad

For, **S. D. Mehta & Co.**
Chartered Accountants
(Registration No. 137193W)

Sd/-
Shaishav D. Mehta
Partner
M.No.: 032891
UDIN: 22032891ALPQNM7199

Annexure-A to Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Kemistar Corporation Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the Consolidated 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 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 Companies Act, 2013.

Auditors' 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 Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 controls 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 Consolidated 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 system 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 Consolidated 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated 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 (3) 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 Consolidated 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, 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 31 March 2022, 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.

For, **S. D. Mehta & Co.**
Chartered Accountants
(Registration No. 137193W)

Date: 25th May, 2022
Place: Ahmedabad

Sd/-
Shaishav D. Mehta
Partner
M.No.: 032891
UDIN: 22032891ALPQNM7199

KEMISTAR CORPORATION LIMITED					
Consolidated Balance Sheet as at 31st March, 2022			(Amount in Lakhs)		
Particulars	Note no.	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
A. ASSETS					
(1) Non-current assets					
(a) Property, Plant & Equipment	1	1,484.55		1,521.46	
(b) Capital Work in Progress		-		-	
(b) Financial Assets:					
(i) Investments		-		-	
(ii) Loans		0.31		-	
(c) Other Non-current assets	2	36.27		46.30	
(d) Deferred Tax Asset (Net)		4.28	1,525.40	3.34	1,571.10
(2) Current assets					
(a) Inventories	3	243.47		50.14	
(b) Financial Assets :					
(i) Investments	4	123.88		113.77	
(ii) Trade receivables	5	439.01		588.36	
(iii) Cash and cash equivalents	6	37.24		32.52	
(iv) Loans	7	4.01		-	
(v) Other assets	8	111.03		13.40	
(c) Other current assets	9	7.92	966.56	2.21	800.40
Total Assets			2,491.95		2,371.51
B. EQUITY AND LIABILITIES					
(1) Equity					
(a) Equity Share capital	10	1,075.94		1,075.94	
(b) Other Equity	11	602.89		514.89	
Sub-Total Equity			1,678.83		1,590.83
(2) Non Current Liabilities					
(a) Financial Liabilities		-		-	
- Long Term Borrowings	12	235.33		217.13	
(b) Provisions		-		-	
(c) Deffered Tax Liabilities		0.33		0.33	
Sub-Total Non Current Liabilities			235.66		217.47
(3) Current Liabilities					
(a) Financial Liabilities :					
(i) Trade payables	13	451.62		515.41	
(ii) Borrowings	14	76.93		12.63	
(b) Other current liabilities	15	3.95		3.37	
(c) Provisions	16	44.96		31.79	
Sub-Total Current Liabilities			577.46		563.21
Total Equity and Liabilities			2,491.95		2,371.51
Significant Accounting Policies Notes to Financial Statements	1 to 24				

As per our report of even date attached herewith.

For, S. D. Mehta & Co.
Chartered Accountants
FRN: 137193W

For and on behalf of the board of
Kemistar Corporation Limited

Shaishav D. Mehta
Partner
M.No. 032891

Ketan P. Patel
Director
DIN : 01157786

Hrishikesh Rakholia
Director
DIN: 08699877

Place: Ahmedabad
Date: 25-05-2022
UDIN : 22032891ALPQRY6572

Trusha Shah
CS (A59416)

KEMISTAR CORPORATION LIMITED

Consolidated Statement of Profit and Loss for the year ended on 31st March, 2022

(Amount in Lakhs)

Particulars	Note no.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(I) Revenue from operations	17	2,092.24	1,403.32
(II) Other Income	18	4.84	7.27
(III) Total Income (I+II)		2,097.08	1,410.59
(IV) EXPENSES			
Cost of Materials Consumed		-	-
Purchase of Stock -in-Trade		1,926.98	1,182.13
Changes in Inventories of Finished goods, Work-in-Progress and by products	19	(193.33)	(18.49)
Employee Benefits Expense	20	100.56	97.03
Finance Costs	21	13.96	11.98
Depreciation and Amortization Expense	1	48.91	30.42
Other Expenses	22	91.91	49.32
Total Expenses (IV)		1,988.99	1,352.40
(V) Profit Before Tax (III-IV)		108.09	58.19
(VI) Tax Expenses :			
(1) Current tax		24.17	11.17
(2) Deferred tax			2.74
(VII) Profit for the year (V-VI)		83.92	44.29
Earning per equity share of face value of Rs. 10 each Basic & Diluted (In Rs.)	23	0.78	0.41
Significant Accounting Policies			
Notes to Financial Statements	1 to 24		

As per our report of even date attached herewith.

For, S. D. Mehta & Co.

Chartered Accountants
FRN: 137193W

Shaishav D. Mehta
Partner
M.No. 032891

For and on behalf of the board of
Kemistar Corporation Limited

Ketan P. Patel Hrishikesh Rakholia
Director Director
DIN : 01157786 DIN: 08699877

Place: Ahmedabad
Date: 25-05-2022
UDIN : 22032891ALPQRY6572

Trusha Shah
CS (A59416)

KEMISTAR CORPORATION LIMITED

Notes on Financial Statements for the year ended 31st March 2022

(Amount in lakhs)

NOTE : 2 OTHER NON-CURRENT ASSETS	As at 31/03/2022	As at 31/03/2021
Differed Expenditure (Preliminary and Pre-operative expense etc.)	36.27	46.30
TOTAL	36.27	46.30

Note : 1/5th of the deferred expenditure have been charged to revenue during the year.

NOTE : 3 INVENTORIES	As at 31/03/2022	As at 31/03/2021
Finished Goods	243.47	50.14
TOTAL	243.47	50.14

NOTE : 4 INVESTMENTS	As at 31/03/2022	As at 31/03/2021
Investment in Mutual Funds, Liquid Funds etc.	123.88	113.77
TOTAL	123.88	113.77

Note : The above Investment, during F.Y. 2021-22, is exclusively made in Liquid Funds. In the Opinion of company such investment is purely on short- term basis and hence, is treated as a current investment.

NOTE : 5 TRADE RECEIVABLES	As at 31/03/2022	As at 31/03/2021
(Unsecured and considered good)		
Over six Months	0.40	0.40
Others	438.60	587.96
TOTAL	439.01	588.36

NOTE : 6 CASH & CASH EQUIVALENTS	As at 31/03/2022	As at 31/03/2021
Cash on hand	22.29	19.73
Bank Balance	14.95	12.78
TOTAL	37.24	32.52

NOTE : 7 OTHER FINANCIAL ASSETS	As at 31/03/2022	As at 31/03/2021
Other Assets	4.01	-
TOTAL	4.01	-

Note : Other Assets includes Advances to creditors and Deposit with bank of K P International Private Limited.

NOTE : 8 LOANS- CURRENT ASSETS	As at 31/03/2022	As at 31/03/2021
Unsecured Advances		
Other Advances	111.03	13.40
TOTAL	111.03	13.40

Note : Other Advances consist of advance given to P Das Infrastructure Private Limited amounting to Rs. 75 lakhs, Advance tax, GST Receivable, TDS & TCS Receivable and Duty Drawback of K P International Private Limited.

NOTE : 9 OTHER CURRENT ASSETS	As at 31/03/2022	As at 31/03/2021
Balance with Revenue Authorities	7.92	2.21
TOTAL	7.92	2.21

Note : Balance with Revenue Authorities includes Advance Tax, Duty Drawback Receivable, GST Credit, TDS & TCS Receivables of Kemistar Corporation Limited.

NOTE : 10 SHARE CAPITAL	As at 31/03/2022	As at 31/03/2021
AUTHORISED SHARE CAPITAL :		
1,20,00,000 Equity Shares of Rs. 10/- each	1,200.00	1,200.00
	1,200.00	1,200.00
ISSUED ,SUBSCRIBED & PAID UP CAPITAL :		
10759408 Equity Shares of Rs. 10 each fully paid up	1,075.94	1,075.94
TOTAL	1,075.94	1,075.94

Note : During the financial year 2018-19, kemistar corporation limited had entered into a SWAP agreement with K. P. International Pvt. Ltd., which is its subsidiary company And Promoter group. Accordingly kemistar

corporation limited acquired 35,54,000/- shares pursuant to SWAP agreements executed in two tranches dt. 23rd February, 2018 and 18th August, 2018 respectively. Against the shares of K P International, Kemistar corporation limited has issued 78,33,016 no. of shares having face value of Rs. 10/- per share and having premium of Rs 4.77/- (First Tranch) and Rs 2.32/- (Second tranch) per share under the SWAP agreement.

Further, the kemistar corporation limited has allotted 10,60,000 no. of shares on preferential basis to persons other than promoters for consideration in cash.

As a result of the above, the company has issued equity to the extent of 88,93,016 no. of equity shares during the year 2018-19.

10.1 The details of shareholders holding more than 5% of Equity shares

Sr No.	Name of Shreholder	As at 31/03/2022		As at 31/03/2021	
		No. of Share	% Held	No. of Share	% Held
	Anjana Ketankumar Patel	1,364,440	12.68%	1,364,440	12.68%
	Shantaben Parshottamdas Patel	1,213,800	11.28%	1,213,800	11.28%
	Ketankumar Parshottamdas Patel	2,947,004	27.39%	1,113,014	10.34%
	Patel Parshottamdas M. (HUF)	836,400	7.77%	836,400	7.77%
	Patel Ketankumar Parshottamdas HUF	661,500	6.15%	661,500	6.15%
	Hiralben Dipakkumar Patel	633,264	5.89%	612,000	5.69%

10.2 The reconciliation of the number of shares outstanding is set out below.

Particulars	As at 31/03/2022 No. of Shares	As at 31/03/2021 No. of Shares
Equity shares at the beginning of the year	10759408	10,759,408.00
Add: Shares issued during the year	-	-
Equity shares Outstanding at the end of the year	10759408	10,759,408.00

10.3 Terms /rights attached to equity shares

i) **Equity:** The company has equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to have one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.

NOTE : 11 RESERVES AND SURPLUS

As at 31/03/2022

As at 31/03/2021

Profit & Loss Account

As per last Balance Sheet	514.89	470.59
Less:		
Short / Excess Provision for I. Tax	(4.07)	(0.02)
Add: Profit during the year	83.92	44.29
Securities Premium Account	-	-

TOTAL	602.89	514.89
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"Note : During the financial year 2018-19, kemistar corporation limited had entered into a SWAP agreement with K. P. International Pvt. Ltd., which is its subsidiary company And the Promoters group. Accordingly kemistar corporation limited acquired 35,54,000/- shares pursuant to SWAP agreements executed in two tranches dt. 23rd February, 2018 and 18th August, 2018 respectively. Against the shares of K P International, kemistar corporation limited has issued 78,33,016 no. of shares having face value of Rs. 10/- per share and having premium of Rs 4.77/-(First Tranch) and Rs 2.32/- (Second Tranch) per share under the SWAP agreement.

Further, the kemistar corporation limited has allotted 10,60,000 no. of shares on preferential basis to persons other than promoters for consideration in cash during the financial year 2018-19."

NOTE : 12 LONG TERM BORROWINGS**As at 31/03/2022****As at 31/03/2021**

Secured Loan

Unsecured Loan

235.33

217.13

TOTAL**235.33****217.13****NOTE : 13 TRADE PAYABLES****As at 31/03/2022****As at 31/03/2021**

Trade payables

451.62

515.41

TOTAL**451.62****515.41****NOTE : 14 SHORT TERM BORROWINGS****As at 31/03/2022****As at 31/03/2021**

Car Loan

76.93

12.63

TOTAL**76.93****12.63****NOTE : 15 OTHER CURRENT LIABILITIES****As at 31/03/2022****As at 31/03/2021**

Other payables	3.95	3.37
TOTAL	3.95	3.37

Note : Other payables for F.Y. 2021-22, Consists of TDS payable, GST payable, Creditors for capital goods and Expenses as on 31st March,2022.

NOTE : 16 SHORT TERM PROVISIONS	As at 31/03/2022	As at 31/03/2021
For Expenses	19.85	15.96
For Tax	25.11	15.83
TOTAL	44.96	31.79

NOTE : 17 REVENUE FROM OPERATIONS	As at 31/03/2022	As at 31/03/2021
Sale of Products	2,092.24	1,403.32
TOTAL	2,092.24	1,403.32

NOTE : 18 OTHER INCOME	As at 31/03/2022	As at 31/03/2021
Short Term Capital Gain	4.36	7.16
Interest on I.Tax Refund	0.12	-
Interest on FDR	-	0.10
Duty Drawback	0.37	-
Kasar / Vataav	0.00	0.01
TOTAL	4.84	7.27

NOTE : 19 CHANGE IN INVENTORIES OF FINISHED	As at 31/03/2022	As at 31/03/2021
Inventories (at close)		
Finished Goods	243.47	50.14
Inventories (at commencement)		
Finished Goods	50.14	31.65
TOTAL	(193.33)	(18.49)

NOTE : 20 EMPLOYEE BENEFITS EXPENSE	As at 31/03/2022	As at 31/03/2021
--	-------------------------	-------------------------

Salaries & Wages	33.81	28.89
Staff Welfare Expense	0.45	0.40
Directors Remuneration	63.90	65.90
Leave Encashment Expense	-	0.26
Bonus	<u>2.40</u>	<u>1.59</u>
TOTAL	<u>100.56</u>	<u>97.03</u>

NOTE : 21 FINANCE COST

As at 31/03/2022

As at 31/03/2021

Bank and other Financial Charges	0.08	1.64
Interest Expense	<u>13.88</u>	<u>10.34</u>
TOTAL	<u>13.96</u>	<u>11.98</u>

Note : Bank and other Financial charges includes Bank charges and ROC Fees.

As at 31/03/2022

As at 31/03/2021

NOTE : 22 OTHER EXPENSES

Power & Fuel	7.45	4.19
Administrative Expenses		
As Auditor :		
Statutory Audit Fees	1.45	1.15
Advertisement Expense	1.22	0.66
Legal , Professional & Consultancy Exp.	8.89	2.80
Insurance expense	2.36	1.56
Office, Warehouse & Godown Rents	5.83	8.52
Office Expenses	0.80	-
Bank Commision Charges	0.21	-
Repairing and Maintenance Expense	7.32	3.47
ROC Filing Fees	0.10	0.08
Complainece Fees in BSE, NSDL and CDSL	3.90	3.90
Computer Expense	0.59	0.26
Postage and Courier expense		

	0.28	0.28
Printing and Stationery expense	0.78	0.40
Telephone expense	0.53	0.37
Preliminary Expense Written Off	7.66	7.37
Rate & Taxes	0.29	0.25
Other Administrative Expenses	9.09	6.34
Travelling expense	5.65	0.23
Membership Fees	0.37	0.39
Software/Web Designing Expense	0.54	0.03
GIDC Service Charges and Interest Expense	0.51	0.39
Director's Expenses	-	5.31
Selling & Distribution Expenses		
Loading & Unloading Charges	0.28	-
Discount	-	0.20
Clearing and forwarding Expense	2.02	-
Freight & Octroi expenses	21.83	0.52
Factory Expense	<u>1.97</u>	<u>0.65</u>
TOTAL	<u>91.91</u>	<u>49.32</u>

NOTE : 23 EARNING PER SHARE

As at 31/03/2022

As at 31/03/2021

i) Net profit after tax as per statement of profit and loss attributable to Equity Shareholders (Rs. in Lakhs)	83.92	44.29
ii) Weighted Average number of equity shares used as denominator for calculating EPS	107.59	107.59
iii) Basic & Diluted Earning per share (Rs.)	0.78	0.41
iv) Face value per equity share (Rs.)	10.00	10.00

KEMISTAR CORPORATION LIMITED

NOTES TO FINANCIAL STATEMENTS

NOTE - 1 : FIXED ASSETS

(In Lakhs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Particulars	As at 31.03.2021	Additions	Sales/ Transfers	As at 31.3.2022	As at 31.3.2021	For the Year	Adjustment Sales/Trans	As at 31.3.2022	As at 31.3.2022	As at 31.3.2021
<u>Tangible Assets</u>										
Land	267.37	-	-	267.37	-	-	-	-	267.37	267.37
Building	158.32	0.22	-	158.54	10.23	14.09	-	24.32	135.74	149.61
Computer System	1.10	-	-	1.10	0.97	0.22	-	1.19	(0.08)	0.13
Plant and Equipments	155.29	12.28	0.50	167.07	14.72	24.01	-	38.73	132.89	145.13
Furniture and Fixtures	23.37	-	-	23.37	5.24	4.27	-	9.51	13.51	17.78
Vehicles	92.50	-	-	92.50	65.74	5.88	-	71.63	20.87	26.75
Office and Equipment's	5.03	-	-	5.03	4.42	0.44	-	4.86	0.63	1.07
<u>Intangible Assets</u>										
Goodwill	913.62	-	-	913.62	-	-	-	-	913.62	913.62
TOTAL	1616.59	12.50	0.50	1628.59	101.33	48.91	-	150.24	1484.55	1521.46

KEMISTAR CORPORATION LIMITED

Consolidated Cash flow statement for the year ended 31st March' 2022

(Amount in Lakhs)

Particulars	For the year ended 31st March,2022		For the year ended 31st March,2021	
	Amount	Amount	Amount	Amount
(A) Cash flow from operating activities				
(1) Net profit after tax and extraordinary items		83.92		44.29
ADD:(i) Depreciation Written off	48.91		30.42	
(ii) Provision for income tax	-		-	
(iii) Prelimnery Expense	7.66		3.57	
(iv) Transfer to General Reserves	-		-	
LESS: (i) Deferred tax Asset	0.93		(2.74)	
(ii) Short Excess Provision of early year	(4.07)		-	
		59.71		36.73
(2) Operating profit before working capital changes		143.63		81.02
Working capital changes				
Add: (i) Decrease in Current Assets (Except Cash & Cash Equivalents)	149.35		103.36	
(ii) Increase in Current Liabilities	78.05		119.77	
Less: (i) Decrease in Current Liabilities	63.79		34.65	
(ii) Increase in Current assests (Except Cash & Cash Equivalents)	310.79	(147.18)	169.89	18.59
(3) Cash generated from operating before tax		(3.55)		99.60
Less: Income Tax Paid				-
(4) Cash flow before extraordinary items		(3.55)		99.60
Add/ (less) extraordinary items				
Net cash inflow / outflow from operating activities After tax & extraordinary items		(3.55)		99.60
(B) Cash flow from investing activities				
Add : Proceeds on account of changes in Investments	-		31.41	
Less : Purchase of Fixed assets & Investments	12.00		136.56	
Preoperative Expense	(2.38)		11.28	
Net Cash inflow / outflow from investing activities		(9.62)		(116.43)
(C) Cash flow from financing activities				
Add : Changes in Long term Loans & Advances	18.20		163.42	
Proceeds of Share Capital	-		-	
Increase In securities premium	-		-	
Less : Advances given	0.31		145.50	
Less : Repayment of Loans	-		-	
Net cash inflow / outflow from financing activities		17.89		17.93
(D) net increase / decrease in cash & cash equivalent		4.72		1.10
(E) Add: Cash & Cash Equivalents in the beginning of the year		32.52		31.42
(F) Cash & Cash Equivalents at the end of the year		37.24		32.52

As per our report of even date attached herewith.

For, S. D. Mehta & Co.

Chartered Accountants

FRN: 137193W

Shaishav D. Mehta

Partner

M.No. 032891

UDIN : 22032891ALPQRY6572

Place: Ahmedabad Date: 25-05-2022

For and on behalf of the board of
Kemistar Corporation Limited

Ketan P. Patel

Director

DIN : 01157786

Hrishikesh Rakholia

Director

DIN: 08699877

Trusha Shah

CS (A59416)

Note 22: Notes to the financial statements

1. Basis of preparation of financial statements

i. Statement of compliance and basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable. All amounts included in the financial statements are reported in Indian rupees. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

ii. Basis of measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis.

iii. Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

a) Revenue recognition: The Company uses the accrual method for income earned for sale of goods.

b) Impairment testing: Investments in subsidiaries are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value.

c) Income taxes: Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

d) Deferred taxes: Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

2. Significant accounting policies

i. Functional and presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

ii. Foreign currency transactions and translation

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net within results of operating activities.

iii. Financial instruments

a) Non-derivative financial instruments:

Non derivative financial instruments consist of:

- Financial assets, which include cash and cash equivalents, trade receivables, employee and other advances, investments in equity and debt securities and eligible current and noncurrent assets;
- financial liabilities, which include long and short term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value. Financial assets are recognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

A. Cash and cash equivalents

The Company's cash and cash equivalents consist of cash on hand and in banks.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand and in banks.

B. Investments

Investments in equity instruments:

The Company carries certain Liquid funds which are registered under SEBI and traded on Stock Market, the said funds are not held for trading. The company has recorded its investment in equity instruments at its acquisition cost.

Investments in subsidiaries:

Investment in subsidiaries is measured at cost less impairment.

C. Other financial assets:

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets.

The company has not opted for measuring such assets at amortized cost as there is no fixed expectation of that asset being recovered in future.

These comprise trade receivables, unbilled revenues, cash and cash equivalents and other assets.

D. Trade and other payables

Trade and other payables are initially recognized at fair value. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

b) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition. If the

Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a borrowing for the proceeds received. Certain financial instruments have been derecognized in event of non-holding of control over such asset and such assets were not reasonably expected to fetch any future cash inflows, and the same have been written off.

A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv. Equity

(a) Share capital and share premium

The Authorized share capital of the Company as of March 31, 2021, is Rs. 12,00,00,000/- divided into 1,20,00,000 equity shares of Rs. 10 each. The Paid Up share capital of the company as of March 31, 2021 is Rs. 10,75,94,080/- divided into 1,07,59,408 equity shares of Rs. 10 each. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as share premium. Every holder of the equity shares, as reflected in the records of the Company as of the date of the shareholder meeting shall have one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

(b) Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes including earlier years' carried forward retained earnings.

v. Property, plant and equipment

(a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

(b) Depreciation

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. Freehold land is not depreciated. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

Category	Useful life
Buildings	28 to 40 years
Computer equipment and software	2 to 7 years
Motor Vehicle	10 to 12 years

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost of property, plant and equipment not available for use as at each reporting date is disclosed under capital work-in-progress.

vi. Impairment

(a) Financial assets

The Company applies the expected credit loss model for recognizing trade receivables and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables and lease receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all

possible default events over the expected life of a financial instrument Lifetime expected credit loss is computed based on a provision matrix which takes in to the account historical credit loss experience adjusted for forward looking information.

vii. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

viii. Revenue

The Company derives revenue primarily from trading of chemical products Activity.

(a) Products

Revenue from products are recognized when the significant risks and rewards of ownership have been transferred to the buyer, continuing managerial involvement usually associated with ownership and effective control have ceased, the amount of revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(b) Others

- Revenues are shown net of Goods and Service Tax and applicable discounts and allowances.
- The company has made investment in ceagenin liquid funds which are held for investment for a period shorter than 12 months. During the year company has made gains out of sale of such investments and the same has been considered under the head Other Income.

ix. Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss.

a. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

b. Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

x. Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period.

3. Notes on Transition to Ind AS

These financial statements are prepared in accordance with Ind AS. For years up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Indian GAAP (i.e. Previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS for periods ending on March 31, 2022, together with the comparative period data as at and for the year ended March 31, 2021.

4. Related Party Disclosures As Per Ind AS 24

Names of related parties and description of relationship from/ to which following transactions were entered during the year:

a) *The related parties are :*

Sr. No.	Names of related parties	Nature of relationship
1	Trusha Shah.	Key Managerial Person
2	KP International Pvt. Ltd.	Wholly owned Subsidiary Co.

b) *The Company has entered into the following transactions with the related parties for the year ended March 31, 2022.*

Sr. No.	Nature of Transaction	Name of person / entity	Amount (Rs.)
			2022
1	Loans and Advances Given	K P International Pvt Ltd	7,50,000/-
2	Remuneration	Trusha Shah	2,93,231/-
3	Purchase	K P International Pvt Ltd	14,160/-

The Company has the following balances outstanding as of March 31, 2022.

Balances at the year end	Name of individual / entity	Amount (In Rs.)
		2022
Under the Head Investment	K P International Pvt. Ltd.	10,73,08,054/-
Unsecured Advances	K P International Pvt. Ltd.	2,94,00,000/-

For, **S. D. Mehta & Co.**
Chartered Accountants
(Registration No. 137193W)

For and on behalf of the board
Kemistar Corporation Limited

Shaishav D.Mehta
Partner
Membership No.: 032891

Ketan Patel
Managing Director
DIN:01157786

**Hrishikesh
Rakholia**
Director
DIN: 08699877

Place: Ahmedabad
Date: 25th May,2022
UDIN : 22032891ALPQRY6572

Trusha Shah
CS (A59416)



Kemistar Corporation Limited

CIN: L24233GJ1994PLC022845

Registered Office:

**604, Manas Complex, Jodhpur Cross Road,
Satellite , Ahmedabad-380015.**

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