



KRISHNA SOLVECHEM LIMITED

Chemistry With Commitment

FINANCIALS
FOR
2020-21



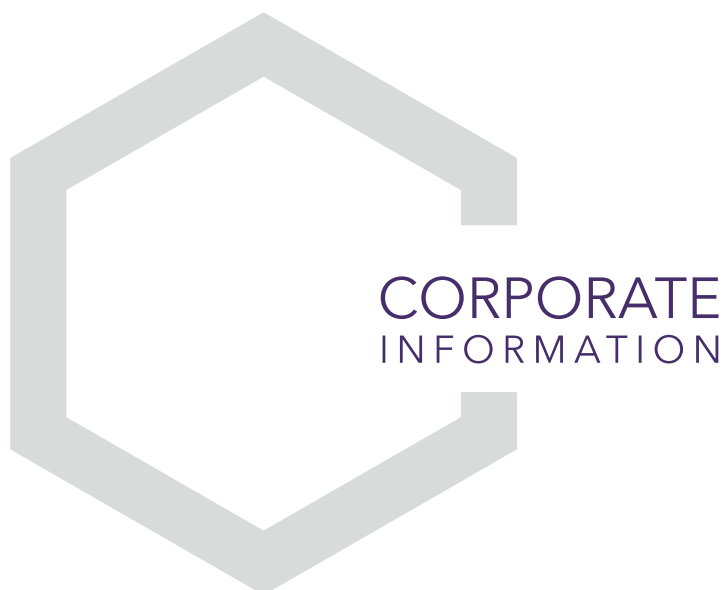
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Every Chemical Reaction
Has A Transition State





Board of Directors

Mr. Atul M. Vora

Managing Director

Mr. Prakash M. Vora

Whole Time Director

Mr. Yogesh M. Vora

Whole Time Director

Mr. Sunil Kumar Bansal

Independent Director

Mr. Hemang Vyas

Non Executive -
Non Independent Director

Mr. Krishna Rathi

Independent Director

Company PAN

AACCK7702J

GST No.

27AACCK7702J1ZG
24AACCK7702J1ZM

Auditors:

Harish Nathani & Co
Chartered Accountants

Corporate Identity No

U51102MH2006PLC160204

Corporate Office :

B-503, Sahyog Building ,
S. V. Road, Kandivali (W),
Mumbai - 400067.

Registered Office :

M-2 , Shree Nivas Building,
382/384, Narshi Natha Street,
Masjid Bunder,
Mumbai - 400009.

Branch :

Plot No. 15, Sector 10/A, 13,
Ambika Apartments, Gurukul,
Gandhidham, Kachchh,
Gujarat - 370201.

Telephone : (+91) 22 - 6123 0222

Web : www.kscl.co.in

Email : info@kscl.co.in

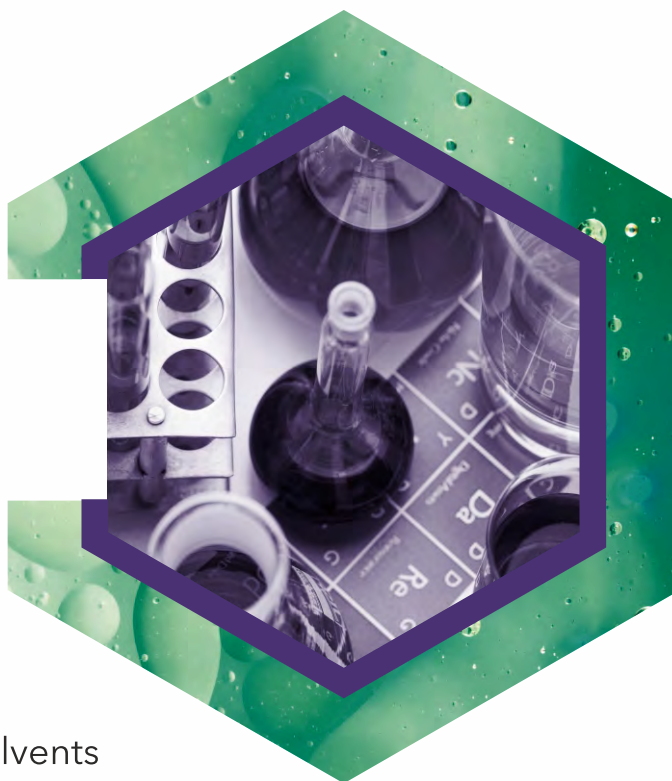
Bankers :

Axis Bank
Citi bank
ICICI Bank
Standard Chartered Bank

OUR PRODUCTS

Primary And Secondary Amines

Butyl Amines
 Diethyl Triamine
 Dimethyl Amines Hcl
 Diphenyl Amine
 Ethyl Amines- Mono, Di And Tri Ethyl Amine
 Ethylene Diamine
 Ethanol Amines- Mono Di And Tri Ethanol Amine
 2 Ethyl Hexyl Amime
 Methyl Amines- Mono, Di And Tri Methyl Amine
 Ortho Phenyldiamine
 Propyl Amines- Mono And Di Propyl Amine
 Piperazine
 Pmeda
 Triethyl Amine Hcl
 Triethylene Tetra Amine
 Tri N Butyl Amines
 Tertiary Butyl Amine



Organic Solvents

Acetone
 Butyl Carbitol
 Benzene
 C-9
 Cyclohexane
 Cyclohexanone
 Diacetone Alcohol
 Dimethyl Formammide
 Dimethyl Acetamide
 Dimethyl Sulphoxide
 Ethylene Glycol- Mono And Di
 Ethylene Dichloride
 Formaldehyde
 Hexane
 Heptane
 Isopropanol
 Methanol
 Methylene Chloride
 N Methyl Prylidone
 N Butanol
 Propylene Glycol
 Propionaldehyde
 Phenol
 Tetra Hydro Furan
 Tert Butanol
 Toluene
 Xylene

Organic Halides

Bromo Benzene
 Benzoyl Chloride
 Benzyl Chloride
 Chloro Acetyl Chloride
 1,4 Di Bromo Benzene
 Ethylene Di Bromide
 Isopropyl Bromide
 Methoxy Acetyl Chloride
 N Hexyl Chloride/bromide
 N Octyl Chloride/bromide
 N Butyl Chlorides
 N Propyl Bromide
 N Pentyl Chloride/bromide

Specialities

Acetonitrile
 Acetyl Acetone
 Alpha Methyl Styrene
 Dimethylaminopropyl Amine
 Dbu
 Di Isopropyl Ether
 Ethyl Chloro Formate
 Formic Acid 85/99
 Methyl Chloro Formate
 Methyl Cyclo Hexane
 2 Mercapto Benzimidazole
 Morpholine
 Nitro Methane
 Phenyl Hydrazine
 Sulpholane
 Trimethyl Orthoformate
 Triethyl Ortho Formate
 Tributyl Ammonium Bromide
 Triethyl Butyl Ammonium Chloride

Alcohols

N Pentanol
N Hexanol
N Octanol
Decanol
Do Decanol

Food Leaving And Taste Enhancers

Ammonium Bicarbonate
Ascorbic Acid
Di Sodium Phosphate
Hydroxy Propyl Methyl Celluloses
Lactose
Mono Sodium Phosphate
Potasium Metabisulphite
Potassium Sorbate
Sodium Acid Pyrophosphate
Sodium Tri Pyrophosphate
Sodium Sulphite
Sodium Metabisulphite
Sodium Benzoate
Sodium Hexameta Sulphite
Tri Sodium Phosphate
Xanthun Gum

Inorganic Halides

Hydro Bromic Acid
Phosphorous Trichloride
Phosphorous Oxy Chloride
Phosphorous Pentachloride
Potassium Bromide
Sulphuryl Chloride
Sodium Bromide
Thionyl Chloride

Others

Adipic Acid
Acrylic Acid
Acetic Acid
Benzoic Acid
Citric Acid
Chloro Benzenes
Chloro Nitro Benzenes
Hydrogen Peroxide
Maleic Anhydride
Methane Sulphonic Acid
Phthalic Anhydride
Para Formaldehyde
Phosphoric Acid
Sodium Tungstate
Sodium Nitrate
Sodium Nitrite
Sodium Gluconate
Sodium Thiocyanate
Sodium Sulphide Yellow Flakes
T G Urea



MISSION VISION AND VALUES

MISSION

KRISHNA'S vision is to be preferred supplier of Chemicals and achieve total Customer satisfaction, Respecting confidentiality of information, Acting honestly, Responsibly with due care and proactively promoting Ethical behavior in work environment.

VISION

To serve as a Resourcing Specialist that is recognized for its Commitment, Efficiency, Reliability and High Quality of Products and Services.

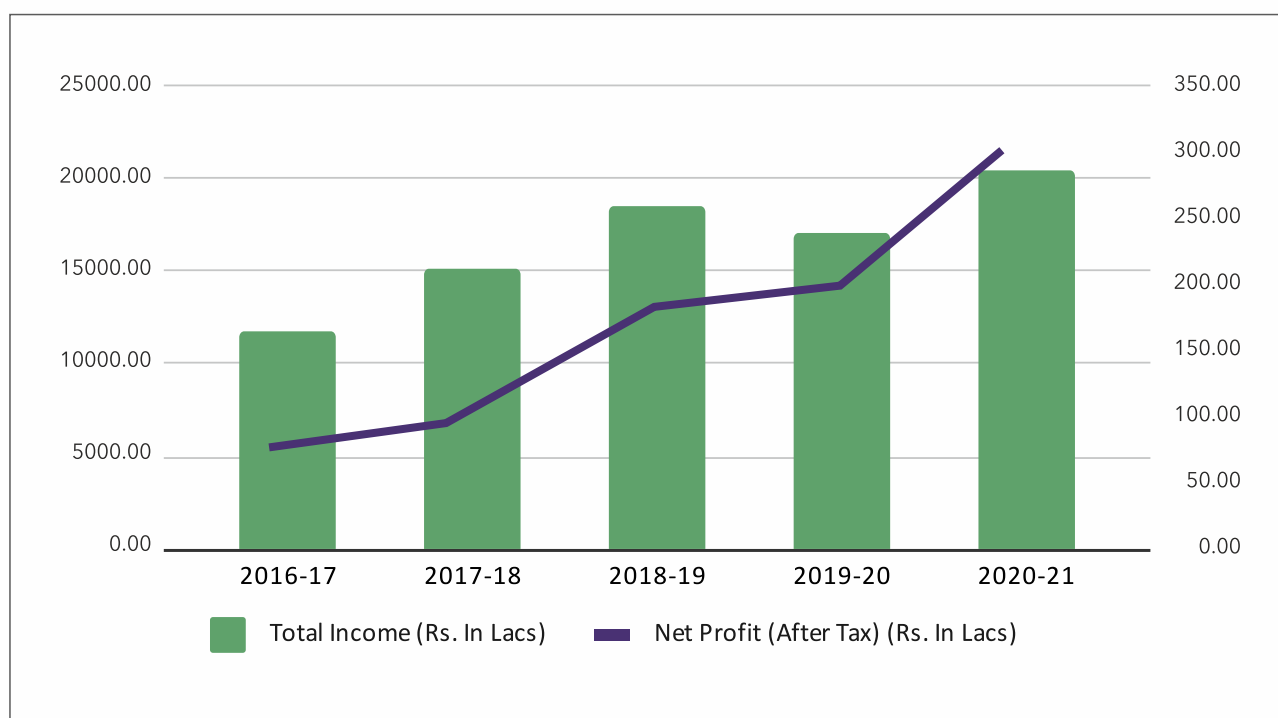
VALUES

- **Health and Safety**
We are committed to the safety of our employees and customers
- **Ethics**
We are fair, honest in our business practices
- **Value Creation**
We create value for our customers through innovation
- **Quality Policy**
We are striving for customer total satisfaction
- **Corporate Citizenship**
We comply with all relevant laws and regulations
- **Financial Reporting & Records**
We comply with all applicable legislation

KRISHNA SOLVECHEM LIMITED.**5 Years Financial Highlights**

(₹ in Lakhs Except for EPS)

No	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
1	Total Income From Operations	11813.19	15047.07	18430.26	1692.27	20396.42
2	Net Profit For The Period (Before Tax and Exceptional Items)	111.49	152.21	235.98	258.63	428.39
3	Net Profit For The Period (Before Tax and After Exceptional Items)	111.49	152.21	235.98	258.63	428.39
4	Net Profit (After Tax)	81.53	108.65	169.44	191.7	303.03
5	Total Comprehensive Income	81.53	108.65	169.44	191.7	303.03
6	Paid up Equity Share Capital	394.1	394.1	445.16	445.16	445.16
7	Other Equity	1151.64	1260.29	1688.81	1880.51	2183.54
8	EPS					
a	Basic	2.07	2.76	3.81	4.31	6.81
b	Diluted	2.07	2.76	4.29	4.31	6.81







DIRECTORS'
REPORT

DIRECTORS' REPORT

TO,
THE MEMBERS,
KRISHNA SOLVECHEM LIMITED.

Your Directors have pleasure in presenting their 15th Annual Report on the business and operation of the company and the accounts for the period ended 31st March, 2021.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

The financial results for the year ended 31st March, 2021 is summarized below:-

(₹ in Lakhs Except for EPS)

No.	Particulars	Amount for year ended 31-03-2021	Amount for year ended 31-03-2020
1	Total Income From Operations	20,396.42	16,962.27
2	Net Profit for the period (before tax and exceptional item)	428.39	258.63
3	Net Profit for the period (before tax and after exceptional item)	428.39	258.63
4	Net Profit for the period (after tax)	303.03	191.70
5	Total Comprehensive Income for the period attributable to the owner of the Company	303.03	191.70
6	Paid up Equity Share Capital (Face Value per share Rs.10/-)	445.16	445.16
7	Other Equity (Reserves)	2183.54	1880.51
8	Earnings Per Share (Face Value per share Rs.10/-)		
a	Basic	6.81	4.31
b	Diluted	6.81	4.31

* The above results have been reviewed by the Audit Committee of the Board and were approved by the Board of Directors at its meeting held on 31st May, 2021

2. Reserve & Surplus :

The Directors do not recommend transfer of any amounts to General Reserve.

3. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR / STATE OF COMPANY'S AFFAIR :

Your Company is pleased to inform you that we have achieved a turnover of Rs. 203.96 Crores in the financial year. Your company has been continuously enhancing its product mix so that it gives growth to our top line. This year the Company has achieved a topline growth of 20%. Our Profits have increased to Rs.3.03 Crores from Rs.1.92 Crores with a growth rate of 58% resulting into an EPS of Rs.6.81 this year as compared to Rs.4.31 last year. Your company has increased its focus on enhancing its presence across the globe. We have recorded an export turnover of Rs.12.10 Crores. Your company continues its exports to European, Asian and African Countries. Your company has balanced the domestic distribution business and has been actively engaged in developing new products which are in high demand in the market and are import substitutes. Your company has been shortlisting various vendors to manufacture these new products on job work. The Company has provided key raw-materials and has worked hand in hand with Indian Pharma companies to cope up with the increased demand of anti-biotic, anti-viral, sanitizers, disinfectants and anti-Covid Drugs in India.

The Company quickly adopted the change and upgraded its systems and software to enable work from home. Along with the health of the Company it has also ensured the health and safety of the employees.

The Company foresees a strong potential in global chemical sector and looks forward to an overall growth of 30-35% in the next year.

4. Change In The Nature Of Business :

There is no Change in the nature of the business of the Company done during the period ended 31-03-2021..

5. Events Subsequent To The Date Of Financial Statements :

There were no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate on the date of this report. A Contingent Liability for Income Tax Demand of Rs. 159.68 Lacs for Assessment Year 2009-2010 was under process with Income tax Department and the said matter was heard by ITAT and Order in favour of company has been passed on 03.05.2021.

6. Dividend :

In order to conserve reserves for future requirements the Directors do not recommend any Dividend.

7. Constitution Of Committee's :

The Members of Audit Committee are Mr. Sunil Bansal and Mr. Prakash Vora wherein w.e.f. 09.01.2021 Mr. Krishna Rathi was appointed as Member. The Members of Nomination and Remuneration Committee are Mr. Sunil Bansal and Mr. Krishna Rathi is appointed as an Member w.e.f. 13th January, 2021. Mr. Hemang Vyas resigned as Member of Nomination and Remuneration Committee w.e.f. 13.01.2021 due to change in designation from Independent Director to Non-Executive Non Independent Director w.e.f. 13th January, 2021. Necessary Forms have been filed with MCA Portal.

8. Meetings :

6 Board Meetings of the Board of Directors were held during the period ended 31-03-2021.

9. Directors And Key Managerial Personnel :

(i) Mr. Krishna Rathi (DIN: 03578448) was appointed as an Additional Independent Director on 09.01.2021. Nomination and Remuneration Committee has recommended his appointment as Independent Director towards his regularization in Annual General Meeting. The same is placed for approval of Members and is included the same in Notice for ensuing Annual General Meeting. Mr. Sunil Bansal is an Independent Director of the Company and Mr. Hemang Vyas has intimated to company to change his designation from Independent Director to Non-Executive Non Independent Director w.e.f. 13th January, 2021 and Mr. Krishna Rathi was appointed as Member of Audit Committee and Nomination and Remuneration Committee. Except this no other Directors were appointed.

(ii) The Company is not required to appoint Key Managerial Personnel during the year under review.

(iii) The Company has received all the necessary declaration from each Independent Directors under Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

(iv) During the year there have been a revision in remuneration of Mr. Atul Vora, Mr. Prakash Vora and Mr. Yogesh Vora and they have been paid revised remuneration as per Sections 196, 197 & 198 read with the provisions of Schedule V of the Companies Act, 2013. Necessary approval of Members have been obtained and respective Forms have been filed with MCA Portal.

(v) Mr. Yogesh M. Vora, Whole Time Director is liable to retire by rotation and being eligible offers himself for re-appointment. The same is placed for approval of Members and is included the same in Notice for ensuing Annual General Meeting.

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

The company has policy relating to Directors Appointment, Payment of Remuneration and discharge of duties. The roles and responsibilities have been identified for proper functioning of business activities as per appointment letters issued. Also various business functions have been divided between Mr. Atul Vora, Mr. Prakash Vora and Mr. Yogesh Vora for effective discharge of their duties.

11. NOMINATION AND REMUNERATION COMMITTEE

The Company has re-constituted Nomination and

Remuneration Committee w.e.f. 13.01.2021 and Mr. Sunil Bansal and Mr. Krishna Rathi are the Committee Members. The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. There has been no change in the policy during the year.

12. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES :

The provisions of Corporate Social Responsibility are not applicable to the Company.

13. OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

During the year under review, Mr. Krishna Rathi (DIN: 03578448) was appointed as an Additional Independent Director on 09.01.2021. Mr. Krishna Rathi is Fellow member of Institute of Company Secretaries of India and MBA-Finance. He is a Practising Company Secretary by profession. He is also duly registered in the Independent Directors data bank developed and maintained as per Companies Act, 2013. In consideration of his educational qualifications and vast experience the Board is of the opinion that Mr. Rathi is proficient and has expertise in corporate matters and so also is a man of integrity. Hence, the Board recommends his appointment as Independent Director of the company.

14. RISK MANAGEMENT POLICY :

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

15. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has laid down internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively.

16. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY

The Company as on 31-03-2021 does not have any Subsidiary Company, Joint Venture Company and Associate Company.

17. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS :

As on 31-03-2021 no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

18. CHANGES IN SHARES CAPITAL :

During the year under review there is no change in Share Capital of the Company.

19. STATUTORY AUDITORS

M/s. Harish Nathani & Co. (Firm Registration Number: 113170W) Chartered Accountants, Auditors of the Company were appointed as Statutory Auditors until the conclusion of

Annual General Meeting to be held for the Financial Year 31-03-2023. They have confirmed their eligibility and willingness for appointment for the year ended 31-03-2022.

20. AUDITORS' REPORT

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors' remarks in their report are self-explanatory and do not call for any further comments.

21. WEBLINK AND EXTRACT OF ANNUAL RETURN :

The Company is having a website viz. www.kscl.co.in and Annual Return has been published on such website for Financial Year 31-03-2021.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :

There are no loans given, investment made nor any guarantees are given nor security provided as per the provisions of Section 186 of the Companies Act, 2013.

23. DEPOSIT :

The Company has neither accepted nor renewed any deposits during the year under review

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :

No agreement was entered with related parties by the

Company during the period ended 31-03-2021. All the related party transactions were entered by the Company in ordinary course of business and were in arm's length basis.

The Company presents all related party transactions before the Board specifying the nature, value, and terms and conditions of the transaction. Transactions with related parties are conducted in a transparent manner with the interest of the Company and Stakeholders as utmost priority. Since all the related party transactions were entered by the Company in ordinary course of business and were in arm's length basis, FORM AOC- 2 is not applicable to the Company.

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

The Company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complain during the period ended 31-03-2021.

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(a) Conservation of energy	
(i) the steps taken or impact on conservation of energy	The in-house efforts are being constantly made for conservation of energy.
(ii) the steps taken by the company for utilizing alternate sources of energy.	The company uses alternative sources of energy as and when required
(iii) the capital investment on energy conservation equipment's	Nil
(b) Technology absorption	
(i) the effort made towards technology absorption	The in-house efforts are being constantly made for adoption, adaptation and innovation of technology to meet customer requirements
(ii) the benefits derived like product improvement cost reduction product development or import substitution	It is observed that there is a cost saving and Energy is also efficiently used when old equipments are replaced with new technology equipments.
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	Nil
(a) the details of technology imported	Nil
(b) the year of import;	Nil
(c) whether the technology been fully absorbed	Nil
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil
(iv) the expenditure incurred on Research and Development	Nil
(c) Foreign exchange earnings and outgo	
During the year, the total foreign exchange used for Imports was Rs. 26.56 Crores and total foreign exchange earned towards Exports was Rs. 12.10 Crores.	

27. COMPLIANCE OF SECRETARIAL STANDARDS AS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

The Board hereby confirms that the Company has complied with the provisions of all applicable Secretarial Standards SS-1 and SS-2 issued by the Institute of Company Secretaries of India (as amended and made applicable from time to time).

28. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND :

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

29. DIRECTOR'S RESPONSIBILITY STATEMENT :

The Director's Responsibility Statement referred to in clause (c) of Sub-section (3) of Section 134 of the Companies Act, 2013 shall state that :

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures:
(b) the director 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 at the end of the financial year and of the profit of the company for that period;
(c) the director 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;
(d) the directors had prepared the annual accounts on a going concern basis; and
(e) the Clause mentioned in Section 134(5)(e) is not applicable to this company as this is not a Listed Company.
(f) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

30. CHANGE OF NAME (If Any) :

There is no change in the name of the Company.

31. MAINTENANCE OF COST RECORD :

The Company is not required to maintain cost record as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

32. DETAILS OF FRAUD REPORTED BY AUDITORS U/S 143(12) :

There were no frauds reported by the Auditor u/s 143(12).

33. ACKNOWLEDGEMENTS :

The Board of Directors place on record their sincere appreciation for the assistance and co-operation extended by Bankers, its employees, its investors and all other associates and look forward to continue fruitful association with all business partners of the company.

For and on behalf of the Board of Directors
For **KRISHNA SOLVECHEM LIMITED**

Sd/- **ATUL M. VORA**
MANAGING DIRECTOR
DIN: 00014989
Place: Mumbai

Sd/- **PRAKASH M. VORA**
WHOLE TIME DIRECTOR
DIN: 01484978
Date: 31.05.2021





INDEPENDENT
AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of KRISHNA SOLVECHEM LIMITED Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Krishna Solvechem Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss Account and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021; and its profit and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether 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.

Management's responsibility for the financial statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of 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 financial Statements that give a true and fair view and are free from materials misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related

disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss Account, and the cash flow statement dealt with by this Report are in agreement with the books of accounts;
- d. In our opinion, the aforesaid financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors, as on March 31, 2021, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2021 from being appointed as a Director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls 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 the Company's internal financial controls over financial reporting, and
- g. 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 according to the explanations 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For HARISH NATHANI & ASSOCIATES

FRN 113170W

Chartered Accountants

Sd/- Harish C. Nathani

Proprietor

Membership No. 044660

UDIN - 21044660AAAABI8155

Mumbai, 31st May 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Annexure "A" to the Independent Auditors' Report on the financial statements of Krishna Solvechem Limited for the year ended 31st March, 2021.

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, all the fixed assets were physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) The title deeds of immovable properties are held in the name of the company.
- ii. (a) In our opinion, the inventories have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company has been maintaining proper records of inventory and no material discrepancies were noticed upon stock statements received from various warehouses.
- iii. The Company has not granted any loans, secured or unsecured, granted to any Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained u/s 189 of the Companies Act, 2013. Accordingly, the provision of clause (iii) of paragraph 3 of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security.
- v. According to the information and explanation given to us, the Company has not accepted any deposit from the public during the year. Accordingly, the provision of clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. It has been explained to us that the maintenance of any cost records has not been prescribed u/s 148(1) of the Act.
- vii. According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion;
 - (a) The Company is generally regular in depositing undisputed statutory dues including Income tax, Good & service tax and other material statutory dues as applicable with the appropriate authorities.
 - (b) No undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.
 - (c) There are no material dues of wealth tax, duty of value added tax, service tax, goods & service tax and cess which have not been deposited with the appropriate authorities on account of any dispute.
- viii. Based on our audit procedures and according to the information and explanations given to us, we are of the

opinion, the Company has not defaulted in repayment of dues to financial institution, bank, government or dues to debenture holders.

- ix. In our opinion and according to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
- x. In our opinion and according to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the provisions of section 197 of the Companies Act, 2013.
- xii. The company is not a Nidhi Company hence this clause is not applicable.
- xiii. Based upon the audit procedures performed and according to the information and explanations given to us, transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. In our opinion and according to the information and explanations given to us, during the year, the company has not entered into any non-cash transactions with its directors or persons connected with him.
- xvi. In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For HARISH NATHANI & ASSOCIATES
FRN 113170W
Chartered Accountants

Sd/- Harish C. Nathani
Proprietor
Membership No. 044660
UDIN - 21044660AAAABI8155
Mumbai, 31st May, 2021

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

Annexure "B" to the Independent Auditors' Report on the financial statements of Krishna Solvechem Limited for the year ended 31st March, 2021

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").

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal 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 HARISH NATHANI & ASSOCIATES

FRN 113170W

Chartered Accountants

Sd/- Harish C. Nathani

Proprietor

Membership No. 044660

UDIN - 21044660AAAABI8155

Mumbai, 31st May, 2021





FINANCIAL
STATEMENTS

BALANCE-SHEET FOR THE YEAR ENDED 31ST MARCH, 2021

KRISHNA SOLVECHEM LIMITED CIN: U51102MH2006PLC160204

Balance-sheet as on 31st March, 2021

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	445.16	445.16
Reserves and Surplus	2	2,183.54	1,880.51
	(A)	2,628.70	2,325.67
Non-Current Liabilities			
Long Term Borrowings	3	316.34	46.86
Deferred Tax Liabilities (Net)	4	4.78	4.52
Long Term Provisions	5	11.85	10.53
	(B)	332.97	61.91
Current Liabilities			
Short Term Borrowings	6	3,392.27	2,877.79
Trade Payables	7	3,582.12	2,479.59
Other Current Liabilities	8	376.51	90.53
Short Term Provisions	9	11.75	5.68
	(C)	7,362.65	5,453.59
TOTAL	(A+B+C)	10,324.32	7,841.17
ASSETS			
Non-Current Assets			
Fixed Assets:	10		
Tangible Assets		449.45	457.58
Investments	11	0.03	0.03
Long Term Loans and Advances	12	3.60	5.64
	(D)	453.08	463.25
Current Assets			
Inventories	13	459.62	408.37
Trade Receivables	14	7,556.01	5,277.16
Cash and Bank Balances	15	1,499.35	1,290.98
Short Term Loans and Advances	16	356.25	401.41
	(E)	9,871.24	7,377.92
TOTAL	(D+E)	10,324.32	7,841.17
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS	24		

In terms of our report attached

FOR HARISH NATHANI & ASSOCIATES
FRN - 113170W
Chartered Accountants

FOR AND ON BEHALF OF BOARD

Sd/- Harish C. Nathani
Proprietor
Membership No. : 044660
UDIN No. 21044660AAAABI8155
Place : Mumbai.
Date : 31st May 2021

Sd/- Atul Vora
Managing Director
DIN - 00014989

Sd/- Prakash Vora
Director
DIN - 01484978

Place : Mumbai.
Date : 31st May 2021

PROFIT AND LOSS ACCOUNT

KRISHNA SOLVECHEM LIMITED CIN: U51102MH2006PLC160204
Profit And Loss For The Year Ended 31st March, 2021

(₹ in Lakhs Except for EPS)

Particulars	NoteNo.	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Revenue from Operations	17	20,306.50	16,862.08
Other Income	18	89.92	100.19
Total Revenue	(A)	20,396.42	16,962.27
<u>Expenses:</u>			
Purchases of Stock -in-Trade	19	18,382.89	15,270.74
Changes in Stock-in-Trade	20	(51.25)	86.93
Employee Benefits Expense	21	442.65	266.07
Finance Costs	22	327.92	365.22
Depreciation and amortisation	10	14.28	13.19
Other Expenses	23	851.54	701.49
Total Expenses	(B)	19,968.03	16,703.64
Profit before exceptional and extraordinary items and tax	(A-B)	428.39	258.63
Exceptional Items		-	-
Profit before extraordinary items and tax		428.39	258.63
Profit after tax		428.39	258.63
<u>Tax expense:</u>			
Current Tax		107.61	64.91
Deferred Tax		0.26	0.04
Income Tax of earlier year		17.49	1.98
Profit (Loss) for the year		303.03	191.70
EARNING PER SHARE			
Basic (F.V. of ₹ 10 each)		6.81	4.31
Diluted (F.V. of ₹ 10 each)		-	-
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS	24		

In terms of our report attached

FOR HARISH NATHANI & ASSOCIATES
FRN - 113170W
Chartered Accountants

FOR AND ON BEHALF OF BOARD

Sd/- Harish C. Nathani
Proprietor
Membership No. : 044660
UDIN - 21044660AAAABI8155
Place : Mumbai.
Date : 31st May 2021

Sd/- Atul Vora
Managing Director
DIN - 00014989

Sd/- Prakash Vora
Director
DIN - 01484978

Place : Mumbai.
Date : 31st May 2021

CASH FLOW

KRISHNA SOLVECHEM LIMITED CIN: U51102MH2006PLC160204

Cash Flow Statement For The Year Ended 31st March, 2021

(₹ in Lakhs)

No.	Particulars	For the Year Ended 31st March, 2021		For the Year Ended 31st March, 2020	
A.	Cash Flows From Operating Activities:				
	Profit Before Taxation		428.39		258.64
	Adjustments:				
	Loss on sale of Fixed Assets	-		0.02	
	Loss on Account of Fire/Accident	0.55		-	
	Foreign exchange Fluctuation Gain Unrealised	(3.07)		(9.37)	
	Shortage of goods Sales	-		-	
	Depreciation	14.28		13.19	
	Provision for Gratuity	2.11		3.99	
	Finance Charges	327.92		365.22	
	Interest received	(65.28)		(81.86)	
	Rental Income	-		-	
	Dividend Income	-		-	
	Operating Profit Before Working Capital Changes	704.91		549.82	
	Adjustments for Working Capital Changes:				
	(Increase)/Decrease in Inventories	(51.25)		86.93	
	(Increase)/Decrease in Trade Receivables	(2,278.85)		1,243.42	
	(Increase)/Decrease in Short Term Loans & Advances	65.13		96.16	
	(Increase)/Decrease in Long Term Loans & Advances	2.04		-	
	Increase/(Decrease) in Trade Payables	1,102.53		(1,089.41)	
	Increase/(Decrease) in Other Current Liabilities	285.98		30.73	
	Increase/(Decrease) in Short Term Provisions	6.07		(3.67)	
	Increase/(Decrease) in Long Term Provisions	1.32		3.90	
	(Increase)/Decrease in other Bank Balance (FD with Lien)	(203.25)		(235.85)	
	Cash Flows From Operations	(365.38)		682.03	
	Less : Income Tax Paid	124.70		61.50	
	Net Cash Flows From Operating Activities	(490.08)		620.53	
B.	Cash Flows From Investing Activities:				
	Purchase of Fixed Assets	(6.15)		(124.88)	
	Sale of Fixed Assets	-		0.01	
	(Purchase)/Sale of Investments	-		-	
	Interest received	45.32		56.17	
	Rental Income	-		-	
	Dividend Income	-		-	
	Net Cash Flows From Investing Activities	39.17		(68.71)	
C.	Cash Flows From Financing Activities:				
	Short Term Borrowings Net	514.47		(137.32)	
	Long Term Borrowings Net	269.48		(3.14)	
	Proceeds from Issue of Shares	-		-	
	Finance Charges	(327.92)		(365.22)	
	Net Cash Flows From Financing Activities	456.03		(505.68)	
	Net Increase/(Decrease) in Cash and Cash Equivalents	5.12		46.14	
	Cash and Cash Equivalents at the Beginning	354.12		307.98	
	Cash and Cash Equivalents at the End	359.24		354.12	

Notes :

- The classification of Assets & Liabilities has been modified as per Schedule III of The Companies Act, 2013.
- The above cash flow statement has been prepared by using the "Indirect Method" as per Accounting Standard 3-Cash Flow Statement.
- Reconciliation of Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	2020-21	2019-20
Cash and Cash Equivalents as per Balance Sheet	1,499.35	1,290.98
Less : Fixed Deposits under lien	1,140.11	936.86
Cash and Cash Equivalents as per Cash Flow Statement	359.24	354.12

As per our report of even date attached

FOR HARISH NATHANI & ASSOCIATES, FRN - 113170W
Chartered Accountants

FOR AND ON BEHALF OF BOARD

Sd/- Harish Nathani
Proprietor,
Membership No. : 044660
UDIN - 21044660AAAABI8155
Place : Mumbai.
Date : 31st May 2021

Sd/- Atul Vora
Managing Director
DIN - 00014989
Place : Mumbai.
Date : 31st May 2021

Sd/- Prakash Vora
Director
DIN - 01484978
Place : Mumbai.
Date : 31st May 2021

(₹ in Lakhs)

NOTE 1 SHARE CAPITAL	As at 31st March, 2021		As at 31st March, 2020	
	Number of Shares	Value of Shares	Number of Shares	Value of Shares
Authorised				
Equity Shares of ₹ 10/- each	4,600,000	460.00	4,600,000	460.00
Issued, Subscribed, Called-up & Paid-up Capital Fully Paid Up :				
Equity Shares of ₹ 10/- each fully paid-up	4,451,579	445.16	4,451,579	445.16
TOTAL	4,451,579	445.16	4,451,579	445.16

1.1 Terms/ Rights attached to equity shares

(a) The company has one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.

1.2 Reconciliation of Equity Capital

(₹ in Lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of Shares	Value of Shares	Number of Shares	Value of Shares
Opening balance	4,451,579	445.16	4,451,579	445.16
Add : Issued during the year	-	-	-	-
Less : Buy-Back/ Reduction	-	-	-	-
Closing Balance	4,451,579	445.16	4,451,579	445.16

1.3 List of Shareholders holding more than 5% Equity Share Capital

Name of Shareholders	As at 31st March, 2021		As at 31st March, 2020	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Atul M. Vora	2,856,591	64.17	2,856,591	64.17
Yogesh M. Vora	474,402	10.66	398,963	8.96
Damini Infotech Private Limited	385,348	8.66	385,348	8.66
Shrishti Tradewell Private Limited	312,500	7.02	312,500	7.02
Prakash M. Vora	255,731	5.74	255,731	5.74

1.4 Information of shares for preceding five years

Name of Shareholders	Nature of share	No. of Shares				
		31-03-2021	31-03-2020	31-03-2019	31-03-2018	31-03-2017
Shares allotted as fully paid up by way of conversion of debentures	Equity Shares	-	-	5,10,610	-	-

(₹ in Lakhs)

NOTE 2 RESERVES & SURPLUS	As at 31st March, 2021	As at 31st March, 2020
(A) Share Premium		
Opening Balance	914.98	914.98
Add : Additions during the year	-	-
Closing Balance	914.98	914.98
(B) Profit & Loss Account		
Opening Balance	965.53	773.83
Add : Net Profit Transferred from Statement of P&L	303.03	191.70
Closing Balance	1,268.56	965.53
TOTAL	2,183.54	1,880.51

(₹ in Lakhs)

NOTE 3 LONG TERM BORROWINGS	As at 31st March, 2021	As at 31st March, 2020
Secured		
Term Loans		
From Others (G.I.D.C)	39.54	46.86
(Term loan is secured by hypothecation against plot, tenure is 96 months and rate of interest @ 12% with EMI moratorium of 24 months)		
From Bank- (Axis Bank -ECLGS)	231.80	-
(Term Loan from Axis Bank is Secured by hypothecation of stock, book debts and personal guarantee of the Directors, tenure is 48 months and rate of interest @ 9.00% with EMI moratorium of 48 months)		
	271.34	46.86
Unsecured		
From Directors	45.00	-
TOTAL	316.34	46.86

(₹ in Lakhs)

NOTE 4 DEFERRED TAX ASSETS/LIABILITIES (NET)	As at 31st March, 2021	As at 31st March, 2020
Deferred Tax (Asset) / Liability		
(a) Expenses debited to Statement of P&L but allowable as a deduction for tax purpose in subsequent years	(4.16)	(3.65)
(b) Due to Depreciation	8.94	8.17
Deferred Tax (Asset) / Liability (Net) (a-b)	4.78	4.52

(₹ in Lakhs)

NOTE 5 LONG TERM PROVISIONS	As at 31st March, 2021	As at 31st March, 2020
Provision for Gratuity (Refer Note No. 24 (B) - 8)	11.85	10.53
TOTAL	11.85	10.53

(₹ in Lakhs)

NOTE 6 SHORT TERM BORROWINGS	As at 31st March, 2021	As at 31st March, 2020
Secured		
Cash Credit from Banks	3,263.41	2,877.79
Bill Discounting	128.86	-
(Secured by hypothecation of stock, book debts and personal guarantee of the Directors)		
TOTAL	3,392.27	2,877.79

(₹ in Lakhs)

NOTE 7 TRADE PAYABLES	As at 31st March, 2021	As at 31st March, 2020
For Goods	3,582.12	2,479.59
TOTAL	3,582.12	2,479.59

(₹ in Lakhs)

NOTE 8 OTHER CURRENT LIABILITIES	As at 31st March, 2021	As at 31st March, 2020
Current maturities of long term debt		
Secured		
From Banks	6.61	-
From Others	5.86	-
Creditors for Expenses	340.41	87.47
Provident Fund Payable	-	-
Other Payable	2.18	0.31
GST Payable	20.55	2.28
Gratuity Payable	0.90	0.47
(Refer Note No. 24 (B) - 8)		
TOTAL	376.51	90.53

(₹ in Lakhs)

NOTE 9 SHORT TERM PROVISIONS	As at 31st March, 2021	As at 31st March, 2020
Provision for Audit fees	1.39	1.08
Income Tax (Net of prepaid taxes)	10.36	3.52
Other Provision	-	1.08
TOTAL	11.75	5.68



KRISHNA SOLVECHEM LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 10 - FIXED ASSETS

(₹ in Lakhs)

Particulars	Rate	Gross Block			Depreciation/Amortisation			Net Block			
		As At 01-April-2020	Additions During Year	Deductions During Year	As At 31.03.2021	As At 01.04.2020	Provision For The Year	Deductions During Year	As At 31.03.2021	As At 31.03.2021	As At 31.03.2020
Tangible Assets											
Leasehold Plot At Mahad	1.11%	20.00	-	-	20.00	0.91	0.23	-	1.14	18.86	19.09
Leasehold Plot At Saykha	1.01%	121.27	-	-	121.27	0.32	1.35	-	1.67	119.60	120.95
Building - Offices	1.58%	231.56	-	-	231.56	18.25	3.66	-	21.91	209.65	213.31
Building-Mahad Factory	3.17%	90.00	-	-	90.00	11.45	2.85	-	14.30	75.70	78.55
Furniture and Fittings	9.50%	24.76	-	-	24.76	5.67	2.35	-	8.02	16.74	19.10
Plant & Machinery and Office Equipments	19.00%	2.55	-	-	2.55	1.10	0.42	-	1.52	1.03	1.45
Computer & Printer	31.67%	14.18	6.15	-	20.33	9.02	3.44	-	12.46	7.87	5.16
TOTAL		504.32	6.15	-	510.47	46.72	14.28	-	61.02	449.45	457.61
PREVIOUS YEAR		395.25	124.88	15.81	504.32	49.31	13.19	15.76	46.73	457.58	345.92

(₹ in Lakhs)

NOTE 11 NON-CURRENT INVESTMENTS	As at 31st March, 2021	As at 31st March, 2020
Unquoted (at Cost)		
150 (Previous Year 150) Shares of NKGSB Co-operative Bank	0.02	0.02
05 (Previous Year 05) Shares of Mahalaxmi CHS Ltd	0.01	0.01
05 (Previous Year 05) Shares of Sahyog CHS Ltd	-	-
05 (Previous Year 05) Shares of M-2 Shree Nivas CHS Ltd	-	-
TOTAL	0.03	0.03

(₹ in Lakhs)

NOTE 12 LONG TERM LOANS AND ADVANCES	As at 31st March, 2021	As at 31st March, 2020
Unsecured, Considered Good		
Other Deposit	3.60	5.64
TOTAL	3.60	5.64

(₹ in Lakhs)

NOTE 13 INVENTORIES	As at 31st March, 2021	As at 31st March, 2020
Finished Goods	459.62	408.37
TOTAL	459.62	408.37

(₹ in Lakhs)

NOTE 14 TRADE RECEIVABLES	As at 31st March, 2021	As at 31st March, 2020
Secured, considered good		
Others	5,173.75	4,023.59
Outstanding for a period exceeding six months from due dates	-	23.89
TOTAL	5,173.75	4,047.48
Unsecured, considered good		
Others	2,350.74	1,158.34
Outstanding for a period exceeding six months from due dates	31.53	71.34
	2,382.27	1,229.68
TOTAL	7,556.01	5,277.16

(₹ in Lakhs)

NOTE 15 CASH AND CASH EQUIVALENTS	As at 31st March, 2021	As at 31st March, 2020
a. Cash and Cash Equivalents:		
Cash in hand	5.82	4.91
Balances with banks in current accounts	0.81	33.58
Fixed deposits maturing within a year	352.61	315.63
	359.24	354.12
b. Other Bank Balances:		
Fixed deposits maturing within a year - under lien	1,140.11	936.86
TOTAL (a) + (b)	1,499.35	1,290.98

(₹ in Lakhs)

NOTE 16 SHORT TERM LOANS AND ADVANCES	As at 31st March, 2021	As at 31st March, 2020
Unsecured, Considered Good		
Advances recoverable in cash or in kind or for value to be received	14.84	43.02
Advance to Parties	19.44	15.46
Security Deposits For Plot at Masroli (Given to related party)	162.00	162.00
EMD / Recoverable from Government Agencies	154.64	174.36
EMD / Recoverable from Others	5.33	6.57
TOTAL	356.25	401.41

(₹ in Lakhs)

NOTE 17 REVENUE FROM OPERATIONS	For the year ended at 31st March, 2021	For the year ended at 31st March, 2020
Sales - Domestic	18,968.73	15,521.71
Sales - Export	1,209.76	1,257.33
Sales - Services	112.39	40.53
Export Promotion	15.62	42.51
TOTAL	20,306.50	16,862.08

(₹ in Lakhs)

SALES BIFURCATION	For the year ended at 31st March, 2021	For the year ended at 31st March, 2020
Gross Sales	23,745.65	19,926.62
Sales - Mumbai (H.O) (Net of Branch transfer)	17,678.08	17,190.75
Less : Tax & Returns	(2,624.69)	(2,684.58)
Total Sale (A)	15,053.39	14,506.17
Sales - Gujarat (Branch) (Net of Branch transfer)	6,067.57	2,735.87
Less : Tax & Returns	(830.08)	(422.47)
Sales Income- Domestic (B)	5,237.49	2,313.40
TOTAL (A+B)	20,290.88	16,819.57

(₹ in Lakhs)

NOTE 18 OTHER INCOME	For the year ended at 31st March, 2021	For the year ended at 31st March, 2020
Dividend	-	-
FD interest from Bank	65.22	81.65
Rent Income	0.06	-
Interest on Indirect Tax Refund	-	0.21
Exchange Difference	24.64	18.33
TOTAL	89.92	100.19

(₹ in Lakhs)

NOTE 19 PURCHASES OF STOCK-IN-TRADE	For the year ended at 31st March, 2021	For the year ended at 31st March, 2020
Purchases of Goods	18,082.16	15,183.82
Clearing & Forwarding Charges	300.74	86.92
TOTAL	18,382.90	15,270.74

(₹ in Lakhs)

PURCHASE BIFURCATION	For the year ended at 31st March, 2021	For the year ended at 31st March, 2020
Gross Purchase	20,773.09	17,685.00
Purchase - Mumbai (H.O) (Net of Branch transfer)	15,669.60	15,146.23
Less : Tax & Returns	(2,173.96)	(2,048.43)
Less : Fire/Accident	(0.55)	(57.22)
Purchase (A)	13,495.09	13,040.58
Purchase - Gujarat (Net of Branch transfer)	5,103.49	2,538.77
Less : Tax & Returns	(516.42)	(395.53)
Purchase (B)	4,587.07	2,143.24
TOTAL (A+B)	18,082.16	15,183.82

(₹ in Lakhs)

NOTE 20 CHANGES IN STOCK-IN-TRADE	For the year ended at 31st March, 2021	For the year ended at 31st March, 2020
Opening Stock	408.37	495.30
Less : Closing Stock	(459.62)	(408.37)
TOTAL	(51.25)	86.93

(₹ in Lakhs)

NOTE 21 EMPLOYEE BENEFITS EXPENSE	For the year ended at 31st March, 2021	For the year ended at 31st March, 2020
Salary, Bonus & Other Allowances	135.91	107.68
Provident Fund	3.63	3.48
Remuneration to Directors	272.90	93.54
Staff Welfare Expenses	28.11	56.54
Gratuity	2.10	4.83
(Refer Note No. 24 (B) - 8)		
TOTAL	442.65	266.07
Note:		
Remuneration to Directors	272.10	91.00
Director's Sitting Fees	0.80	2.54
During the current and previous year, the company has paid managerial remuneration within the limits prescribed under Schedule V of the Companies Act, 2013.		

(₹ in Lakhs)

NOTE 22 FINANCE COSTS	For the year ended at 31st March, 2021	For the year ended at 31st March, 2020
Interest	270.09	304.20
Loan Processing Charges	24.50	20.41
Bank Guarantee Charges	17.55	12.56
Bank Charges	15.78	28.05
TOTAL	327.92	365.22

(₹ in Lakhs)

NOTE 23 OTHER EXPENSES	For the year ended at 31st March, 2021	For the year ended at 31st March, 2020
Advertisement Expense	0.14	2.13
Auditor's Remuneration (Refer Note Below)	1.50	1.20
Electricity Expense	2.11	3.53
Insurance Expense	39.95	37.63
Discount & Karsar	84.68	159.10
Hamali Charges	34.13	32.11
Warehousing & Transportation	232.42	181.30
Legal & Professional Charges	79.66	22.45
Telephone & Communication	5.73	7.07
Travelling Expense Local	0.78	4.84
Travelling Expense Foreign	-	0.62
Rates & Taxes	1.92	2.27
Brokerage	327.44	103.65
Business Promotion	5.95	45.42
Other Charges	35.13	98.17
TOTAL	851.54	701.49

Note:

Auditor's Remuneration*	31st March, 2021	31st March, 2020
Payments to the auditors (net of service tax / GST input credit, where applicable):		
(a) As auditors - statutory audit	1.30	1.00
(b) For Tax audit	0.20	0.20
(c) (c) As adviser in any other capacity:- Taxation Matters (debited to Legal & Professional Charges)	2.05	1.74
TOTAL	3.55	2.94



NOTES

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 24 :

A. SIGNIFICANT ACCOUNTING POLICIES

1 Basis Of Accounting

The financial statements are prepared under historical cost convention and on accrual basis in accordance with the provisions of the Companies Act, 2013, and comply with the Accounting Standards referred to in section 133 of the said act to the extent applicable. All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 as well as guidance Note issued by The Institute Of Chartered Accountants of India.

2 Use Of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, reported amounts of revenues and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates are recognized in the period in which such revisions are made.

3 REVENUE RECOGNITION

Sales of products are recognised when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods. Sales excludes sales tax and are stated net of returns. Sales comprises of sales of goods net of trade discount. Interest Income/Other Income is recognised on accrual basis. Dividend Income is recognized as and when the same is declared.

4 FIXED ASSETS

(i) Fixed assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalized.

5 DEPRECIATION AND AMORTISATION

(i) Fixed assets are stated at cost less accumulated depreciation. Depreciation on Fixed Assets is provided on Straight Line method basis at the rates prescribed in Schedule II of the Companies Act, 2013.

(ii) Depreciation on assets acquired/dropped off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

(iii) Individual assets costing less than ₹ 5,000 are fully depreciated in the year of purchase.

(iv) Premium paid on leasehold land is amortised over lease period.

6 INVENTORIES

Stock-in-trade are stated at the lower of cost or net realisable value. Cost has been arrived at on identification basis.

7 FOREIGN CURRENCY TRANSACTIONS

(i) Transactions in foreign exchange are accounted at the exchange rates prevailing on the date of such transactions. Gains/Losses arising out of settlement of the

foreign currency transactions are accounted for in the Statement of Profit and Loss.

(ii) Monetary items in foreign currency have been restated into Indian Rupees at the rates of exchange prevailing as on the date of the Balance Sheet and the resultant gains/losses are accounted for in the Statement of Profit and Loss.

8 EMPLOYEE BENEFITS

Short Term Employee Benefits

The Undiscounted Amount of short term employee benefits expected to be paid in exchange for the service rendered by employees are recognized as an expense during the period when the employees render the service.

Post-Employment Benefits

Defined Contribution plans

A defined contribution plan is a post-employment benefits plan under which the company pays specified contribution to statutory provident fund accounts. The company makes specified monthly contribution towards provident fund. The Company's contribution is recognized as an expense in the profit and loss statement during the period in which the employee renders the related service.

Defined Benefits Plan

The liability in respect of define benefit plan and other post-employment benefits is calculated using the Project Unit Credit Method and spread over the period during which the benefit is expected to be derived from employee's services.

Actuarial gains and losses in respect of post-employment and other long term benefits are charged of the Profit and Loss statement.

Employee Separation Costs

Compensation to employees who have opted for retirement under the voluntary scheme of the company is charged to the Profit and Loss Statement in the year of exercise of option by the employee.

9 PROVISION FOR CURRENT AND DEFERRED TAX

Tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid in accordance with the income-tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rate and tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets and MAT credit entitlement are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

10 IMPAIRMENT OF ASSETS

At each balance sheet date, the company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss to the extent the carrying amount exceeds recoverable amount.

11 CASH FLOW STATEMENT

The Cash Flow Statement is prepared in accordance with the format prescribed in Accounting Standard-3 prescribed by The Institute of Chartered Accountants of India using Indirect Method.

12 RELATED PARTY TRANSACTIONS

Disclosure of transactions with related parties, as required by Accounting Standard-18 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under clause 3 of the Accounting Standard-18 have been identified on the basis of representations made by key managerial personnel and information available with the company.

13 EARNINGS PER SHARE

The company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard-20 issued by The Institute of Chartered Accountants of India. The Basic EPS has been computed by dividing the profit available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed by dividing adjusted net

profit by the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

14 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurements are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

15 DOUBTFUL DEBTS/ ADVANCES/ DEPOSITS

Provisions are made in the accounts for debts / advances / deposits which in the opinion of the management are considered doubtful of recovery.

B. NOTES TO ACCOUNTS

1.

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Value of imports calculated on C.I.F. basis (excluding value of imported items locally purchased)	2,655.86	1,350.23

2.

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Earnings in foreign exchange Export of goods calculated on F.O.B. basis	1,201.67	1,274.27

3. In the opinion of the management, current assets, loans and advances have a value atleast equal to the amount at which they are stated in the balance sheet, if realised in ordinary course of business.

4. A) Details of Opening Stock, Purchases, Sales & Closing Stock

(₹ in Lakhs)

Particulars	Opening Stock	Purchases	Sales	Closing Stock
Chemicals	408.37	18,082.16	18,030.90	459.62
Total	408.37	18,082.16	18,030.90	459.62

B) Details of Opening Stock, Purchases, Sales & Closing Stock (Quantity)

(₹ in Lakhs)

Particulars	Opening Stock	Purchases	Sales	Closing Stock
Chemicals (Qty. in Kilograms)	474.20	22,668.34	22,373.98	768.56
Total	474.20	22,668.34	22,373.98	768.56

5 Segment Reporting:

The company has determined that it operates in a single line of business viz. Chemicals and also in a single geographic environment i.e. within India, therefore the information required by the Accounting Standard-17 on segment reporting is not applicable to the company.

6 Related Party Disclosures:

The disclosure required under Accounting Standard-18 in respect of related party transactions and balances is given in the table and explanations given hereunder:

(i) Nature of relationship:-

Key Managerial Personnel (KMP) and shareholders	Director	a. Atul M. Vora
	Director	b. Prakash M. Vora
	Director	c. Yogesh M. Vora
Relative of Key Managerial Personnel and shareholders*	Spouse of director	a. Asha Prakash Vora
	Spouse of director	b. Bhavna Atul Vora
	Spouse of director	c. Falguni Yogesh Vora
	Father of director	d. Manmohan Vrajlal Vora
Relative of Key Managerial Personnel	Son of director	e. Dishant Atul Vora
	Son of director	f. Mahek Prakash Vora

* **Note:** The list of related parties are as identified by the management and relied upon by the auditors.

(ii) Details of Related Party Transactions are as follows:-

(₹ in Lakhs)

Sr. No	Name of the Party	Nature of the Transaction	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
1	Atul M. Vora (KMP and shareholder)	Purchase of goods Remuneration Interest on Loan	552.20 130.90 0.48	774.24 39.00 -
2	Prakash M. Vora (KMP and shareholder)	Remuneration	70.60	26.00
3	Yogesh M.Vora (KMP and shareholder)	Remuneration	70.60	26.00
4	Asha P. Vora (Relative of KMP and shareholder)	Salary	12.61	9.41
5	Bhavna A. Vora (Relative of KMP and shareholder)	Salary	12.52	9.41
6	Falguni Y. Vora (Relative of KMP and shareholder)	Salary	12.49	9.41
7	Manmohan V. Vora (Relative of KMP and shareholder)	Salary	8.65	8.65
8	Dishant A. Vora (Relative of KMP)	Salary	7.47	-
9	Mahek. P. Vora (Relative of KMP)	Salary	7.47	-
10	Mohini Hemang Vyas (Relative of Independent Director)	Brokerage	4.04	-

(iii) Balances at the year end:-

(₹ in Lakhs)

Sr. No	Name of the Party	Nature of the Transaction	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
1	Atul V. Vora (KMP and shareholder)	Trade Creditors Security Deposit Unsecured Loan	26.07 162.00 45.00	0.18 162.00 -

Notes: 1) Related parties are as identified by the management and relied upon by the auditors.

7. Earnings Per Shares

The computation of the earnings per share has been arrived at as follows:-

(₹ in Lakhs Except for EPS)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Profit attributable to Equity Shareholders	303.03	191.70
No of Equity share of ₹10/- each outstanding at the start of the year	4,451,579	4,451,579
No of Equity share of ₹10/- each outstanding at the end of the year	4,451,579	4,451,579
Basic & Diluted (F.V. of ₹ 10 Each)		
Weighted average number of shares outstanding:	4,451,579	4,451,579
Nominal value per share (in Rupees)	10.00	10.00
Basic Earnings per share	6.81	4.31
Diluted Earnings per share	-	-

Basis of calculation of premium for determination of Diluted EPS

Since convertible debentures are anti-dilutive, it is ignored in the calculation of diluted earnings per share. Therefore, diluted earnings per share for previous year is taken at Rs. 4.31.

8. Gratuity (Unfunded):

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
A. Expense recognised during the year		
Current service cost	2.84	1.86
Interest on obligation	0.73	0.51
Expected return on plan assets	-	-
Net actuarial losses (gains) recognised in the year	(1.47)	2.46
Past service cost	-	-
Losses (gains) on curtailments and settlement	-	-
Expense recognised in P & L	2.11	4.83
B. Amounts recognised in Balance Sheet		
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Present value of unfunded obligations	12.75	11.00
Unrecognised past service cost	-	-
Net liability	12.75	11.00
C. Change in Present value of the Obligation during the year		
Opening Defined Benefit Obligation	11.00	7.01
Service cost for the year	2.84	1.86
Interest cost for the year	0.73	0.51
Actuarial losses (gains)	(1.47)	2.46
Benefits paid	(0.35)	(0.84)
Closing defined benefit obligation	12.75	11.00
D. Fair Value of Plan Assets		
Opening fair value of plan assets	-	-
Expected return	-	-
Actuarial gains and (losses)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Closing balance of fund	-	-
E. Actuarial Assumptions		
Discount rate	6.40%	6.80%
Salary escalation	7.00%	7.00%

The Company has obtained Actuarial Valuation for Gratuity Liability. However, the same has not been funded.

9. Contingent Liabilities and Commitments:

A) Contingent Liabilities

- Income tax disputed for demand of Rs 159.68 lakhs (PY Rs. 159.68 lakhs) in respect of Assessment Year 2009-2010 has been resolved in favour of the Company vide Hon'ble Mumbai ITAT's order dated 03/05/2021.

10. Unhedged Foreign Currency

(₹ in Lakhs)

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Trade Payables in USD	4.65	0.70
Trade Payables in INR (USD @ 73.35)	341.27	52.44
Trade Receivable in USD	3.31	3.77
Trade Receivable in INR (USD @ 71.60)	237.22	284.30

11. Earnings / Expenditure in Foreign Exchange

(₹ in Lakhs)

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Revenue received from Sales / Services	1,209.76	1,257.33
Other Expenditure in Foreign Currency	2,656.22	1,353.66
Net Earnings in Foreign Currency	(1,446.46)	(96.33)

12. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

- An amount of Rs. Nil (PY: Rs. Nil) and Rs. Nil (P.Y : Rs. Nil) was due and outstanding to MSME suppliers as at the end of the accounting year on account of Principal and Interest respectively.
- No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.
- No interest is payable at the end of the year under Micro, Small and Medium Enterprises Development Act, 2006.
- No amount of interest was accrued and unpaid at the end of the accounting year.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

13. Figures of previous year, corresponding to the current year are restated/ regrouped/ reclassified, wherever necessary.

As per our report of even date attached
FOR HARISH NATHANI & ASSOCIATES
FRN - 113170W
Chartered Accountants

FOR AND ON BEHALF OF BOARD

Sd/- Harish C. Nathani
Proprietor
Membership No. : 044660
UDIN - 21044660AAAABI8155
Place : Mumbai.
Date : 31st May 2021

Sd/- Atul Vora
Director
DIN - 00014989
Place : Mumbai.
Date : 31st May 2021

Sd/- Prakash Vora
Director
DIN - 01484978



NOTICE

NOTICE

NOTICE is hereby given that the 15th Annual General Meeting of the members of **KRISHNA SOLVECHEM LIMITED** will be held on **Saturday, 26th June, 2021** at the Corporate Office at **B/503, Sahyog, S V Road, Kandivali (West), Mumbai - 400067** at 11:00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet for the period ending on 31st March 2021 and the Profit and Loss Account for the year ended as on that date along with the Reports of the Directors and the Auditors thereon.
2. To take note on Statutory Auditors of the company.
3. To appoint a Director in place of Mr. Yogesh M. Vora (DIN 00014993) who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **To Consider and if thought fit, pass with or without modification(s) the following resolution as Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 160 and all other applicable provisions of The Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 as may be amended and applicable from time to time and Memorandum of Association and Articles of Association **Mr. Krishna Rathi (DIN: 03578448)** be and is hereby appointed as a Director of the Company with immediate effect.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised for and on behalf of the company to sign and file E-Form DIR 12 with MCA Portal (ROC Online) and comply with necessary procedures including informing Bankers and other concerned and handle all the matters relating to the same as may be required from time to time."

5. **To Consider and if thought fit, pass with or without modification(s) the following resolution as Special Resolution:**

"RESOLVED THAT pursuant to Section 180(1) (c) and all other applicable provisions of Companies Act, 2013, applicable rules and regulations made thereunder, provisions of Memorandum of Association & Articles of Association unanimous consent of the Members be and is hereby accorded to Board for borrowing from time to time any sum or sums of money which together with the money already borrowed by the company (apart from temporary loans obtained from Bankers of the company in ordinary course of business) shall not exceed in the aggregate at any one time Rs. 200,00,00,000 (Rupees Two Hundred Crores Only) Fund and Non Fund based irrespective of the fact that such aggregate amount of borrowing outstanding at any one time may exceed the aggregate for the time being of the paid up capital of the company and its free reserves, that is to say reserves not set apart for any specific purpose.

RESOLVED FURTHER THAT any one of the directors of the company be and is hereby authorised to sign and execute E-Form MGT-14 and other required documents, forms, papers etc. as may be required from time to time and file the same with Registrar of Companies, Mumbai and carry out the procedure as mentioned under Companies Act, 2013 and handle all matters relating to the same."

6. **To Consider and if thought fit, pass with or without modification(s) the following resolution as Special Resolution:**

RESOLVED THAT in accordance with the provisions of Section 180(1)(a) of the Companies Act, 2013, and all other applicable provisions of Companies Act, 2013, applicable rules and regulations made thereunder, the Articles of Association of the Company unanimous consent of the Members be and is hereby accorded to the Board to mortgage, hypothecate, assign and/or create charge on all or any immovable and movable properties of the Company, both present and future, or the whole or substantially the whole of the undertaking(s) of the Company for securing any loan or any other facility together with interest, costs, charges, expenses and any other monies payable by the Company or any other entity up to a limit not exceeding an aggregate to INR 200,00,00,000/- (Rupees Two Hundred Crores)."

RESOLVED FURTHER THAT any one of the directors of the company be and is hereby authorised to sign and execute E-Form MGT-14 and other required documents, forms, papers etc. as may be required from time to time and file the same with Registrar of Companies, Mumbai and carry out the procedure as mentioned under Companies Act, 2013 and handle all matters relating to the same."

7. **To Consider and if thought fit, pass with or without modification(s) the following resolution as Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 186 read with the Companies (Meetings Board and its Powers) Rules 2014 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board"), to acquire by way of subscription, purchase or otherwise the securities / units of any other body corporate / mutual funds / Fixed Deposits exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is higher including the existing investments made so far, however in no case the aggregate amount of such investment made or to be made in securities, including units in the schemes / funds of Mutual Funds, Fixed Deposits of all kinds, of any other body corporate, by way of acquisition, subscription, purchase or otherwise as aforesaid shall not exceed Rs. 100,00,00,000/- (Rupees One Hundred Crores Only) at any given time.

RESOLVED FURTHER THAT THE Board of Director of the Company be and is hereby authorized and empowered to take appropriate decisions at their meeting with requisite consents in respect of ranking investments in shares / securities / Units / Fixed Deposits, as states herein above within the prescribed limit AND do all such acts, deeds and things as they may deem necessary and proper in this matter."

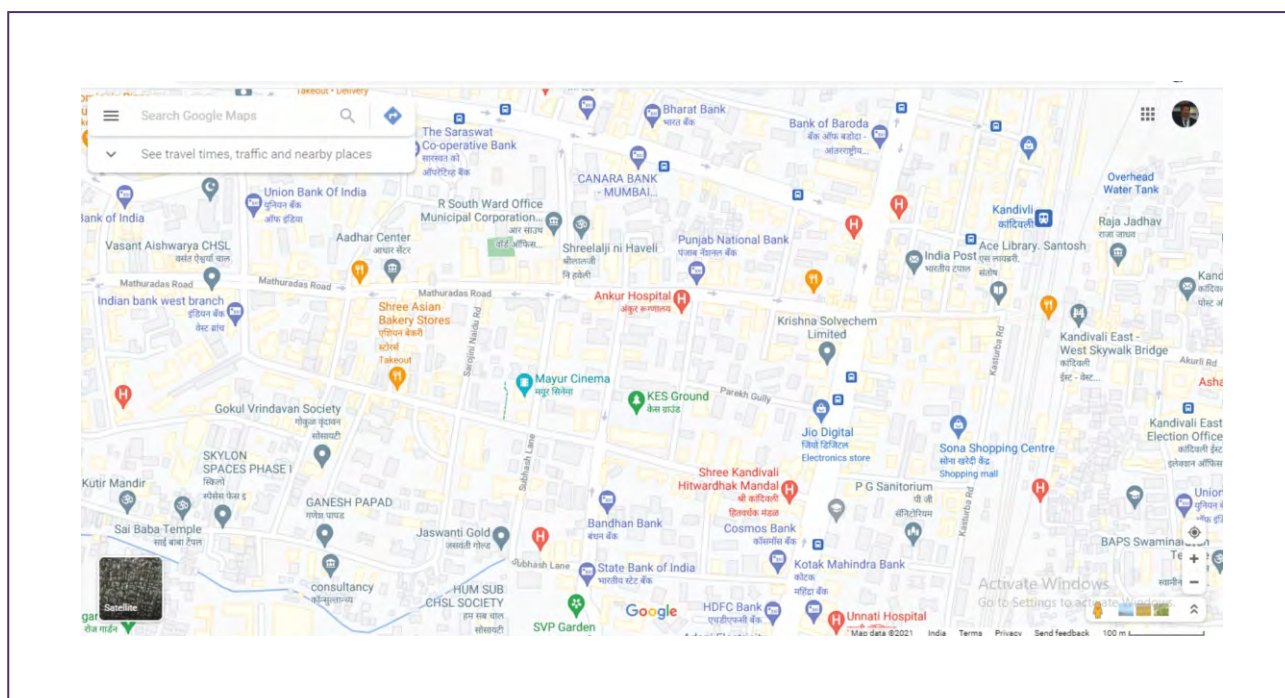
By order of the Board
FOR KRISHNA SOLVECHEM LIMITED

Sd/-ATUL M. VORA
MANAGING DIRECTOR
DIN:- 00014989
Place: Mumbai
Date: 31.05.2021.

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
2. Proxies to be effective should be reported at the company's registered office not later than "Forty Eight Hours" before the time fixed for the meeting.
3. Corporate Members, intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting as per Section 113 of the Companies Act, 2013.
4. All Members are requested to attend the Meeting by wearing Mask and maintain Social Distance as prescribed under COVID-19 Guidelines issued from time to time.
5. If some new COVID-19 guidelines are issued or if Lockdown is levied / extended by Central Government or State Government after issue of this Notice then the said Meeting will be conducted via ZOOM and necessary data will be shared to each Member. This Notice would remain valid for ZOOM Meeting and no new Notice will be issued however necessary intimations will be shared to each Member if there are any changes post issue of this Notice.
6. Route Map is attached for venue of the Meeting.

Route Map for Venue of the Annual General Meeting.



Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:**Item No. 3 :-**

Mr. Yogesh M. Vora, Whole Time Director is liable to retire by rotation and being eligible offers himself for re-appointment. Mr. Yogesh M. Vora is taking care of sales and other activities so it would be in the interest of the company to re-appoint him as Whole Time Director. The details of Mr. Yogesh M. Vora is as mentioned below :-

Name of Director Age Qualification Experience	Mr. Yogesh M. Vora 46 Diploma in Chemical Technology. A Diploma holder in Chemical Technology. Mr. Yogesh Vora is managing Sales of Domestic Product, from understanding the requirement of the customer to providing cost effective solutions, from managing after sales, to delivering results he has managed to drive the company thru the thick and the thin. He has worked immensely in expanding the customer base, finding newer applications, value addition. He possess deep knowledge of products applications, growth, further requirements, potential new applications, replacing old molecules with value added newer molecules. He has provided turnkey solution and has also managed to establish long lasting relations. He has travelled extensively and has interacted with both commercial and technical team for sustainable business and sustainable products. With a vast experience of around 25 years he has seen the market inside out. Bought in revolutionary changes in sales, Developed insights on futures. Training and Managing a Sales Team. Bringing more value addition to the bottom line. Effectively catering to customers increasing both volume and value.
Terms and conditions of re-appointment along with details of remuneration last drawn by such person, if applicable.	He would hold Office as Wholetime Director till 30.09.2022 as per his appointment terms. The last remuneration drawn by him is Rs. 12,50,000 per month.
Date of first appointment on the Board	02.03.2006
Shareholding in the company	474402 Equity Shares of Rs. 10/- each - 10.66%
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Mr. Atul Vora and Mr. Prakash Vora are his Brothers.
The number of Meetings of the Board attended during the year	6
Other Directorships and Membership/ Chairmanship of Committees of other Boards	NIL

The Board of Directors recommends the proposed resolution as Ordinary Resolution for approval of Members.

None of the Directors of the Company except Mr. Atul Vora and Mr. Prakash Vora since they are his brothers are concerned or interested in the proposed resolution.

Item No. 4 :-

Mr. Krishna Rathi was appointed as Additional Director w.e.f. 09.01.2021 and his tenure expires at this Annual General Meeting. Nomination and Remuneration Committee has recommended his appointment as Independent Director towards his regularization in Annual General Meeting.

Name of Director Age Qualification Experience	Mr. Krishna Shyam Sunder Rathi 33 B.Com., FCS, MBA - Finance, Diploma in International Trade He is a Commerce Graduate (B. Com) and holds a Master's Degree in Business Administration (MBA), with Finance as his specialization. He is also a Fellow member of the Institute of Company Secretaries of India and holds a Post Graduate Diploma in International Trade. He has over 12 years of experience in the fields of Company Law Compliances, Secretarial Audit, Arbitration & Reconciliation, Consumer Protection Laws, Corporate & Organizational Planning and Stock Market Operations. He is also involved in rendering opinion on Companies Act and other Corporate Laws, processing various petitions / applications with NCLT / MCA.
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Terms and conditions of re-appointment along with details of remuneration last drawn by such person, if applicable.	He would hold Office as Independent Director for a period of 5 years from date of his appointment. Last remuneration drawn by him is NIL.
Date of first appointment on the Board	09.01.2021
Shareholding in the company	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	N.A.
The number of Meetings of the Board attended during the year	3
Other Directorships and Membership/ Chairmanship of Committees of other Boards	Other Directorships :- 1. Professional consultancy services Private Limited 2. Abrish Advisory Private Limited 3. Galactico Corporate Services Limited Membership/ Chairmanship of Committees of other Boards :- 1. Audit Committee Chairman of Galactico Corporate Services Limited 2. Nomination and Remuneration Committee Chairman of Galactico Corporate Services Limited 3. Member of Stakeholders Relationship Committee of Galactico Corporate Services Limited.
Summary on Independent Director	He is appointed as Independent Director and he is Member of Audit Committee and Nomination and Remuneration Committee. Mr. Krishna Rathi is Fellow member of Institute of Company Secretaries of India and MBA -Finance. He Practising Company Secretary by profession. He is also duly registered in the Independent Directors data bank developed and maintained as per Companies Act, 2013. In consideration of his educational qualifications and vast experience the Board is of the opinion that Mr. Rathi is proficient and has expertise in corporate matters and so also is a man of integrity.

The Board of Directors recommends the proposed resolution as Ordinary Resolution for approval of Members.

None of the Director of the Company are concerned or interested in the proposed resolution.

Item Nos. 5 & 6 :-

As on date Company has received Export Orders for various products and also there is increase in demand of Products from Indian Market. Also the Export Turnover is expected upto Rs. 100 Crores by the end of current financial year. In order to meet the demand Company would need additional funds to meet the said demand. The Company has approached existing lenders and new lenders and positive responses have been received from them. Also in near future company is proposing to set up a new factory unit for manufacturing of various products. For new factory set up various costs including Land, Factory Set Up, Plant & Machinery etc. has to be incurred and further funds would also required for the same. In order to meet the current and future requirements phase wise the Board recommends to revised borrowing powers from existing Rs. 75 Crores to Rs. 200 Crores. Also to avail further secured loans company has to create charge on its movable and/or immovable assets of the company in favour of lenders. As per provisions of Sections 180(1)(a) and 180(1)(c) of Companies Act, 2013 the Board of Directors cannot create charge on assets of the company in favour of lenders and any time borrow in excess in Paid Up Capital & Free Reserves except with the consent of Shareholders through Special Resolution. Hence, it is proposed to obtain approval of Members through Special Resolution U/s. 180(1)(a) and 180(1)(c) of Companies Act, 2013 read with applicable rules and regulations made thereunder and as amended and applicable from time to time for a limit of Rs. 200 Crores.

The Board of Directors recommends the proposed resolutions as Special Resolutions for approval of Members.

None of the Director of the Company are concerned or interested in the proposed resolution.

Item No. 7 :-

Company has from time to time invest in Fixed Deposits for securing credit facilities and also the same are required for Non Fund based facilities. Also other Investment avenues are explored which may be in the interest of the company. It would be in the interest of the company to authorise Directors to make permissible investments which may be profitable in long run. Section 186 states that Board of Directors of the Company can acquire by way of subscription, purchase of otherwise the securities / units of any other body corporate / mutual funds / Fixed Deposits not exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is higher including the existing investments made so far. So in order to enable the Board the limit proposed is Rs. 100 Crores.

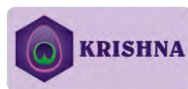
The Board of Directors recommends the proposed resolutions as Special Resolutions for approval of Members.

None of the Director of the Company are concerned or interested in the proposed resolution.

**By order of the Board
FOR KRISHNA SOLVECHEM LIMITED**

Sd/- ATUL M. VORA
MANAGING DIRECTOR
DIN:- 00014989
Place: Mumbai
Date: 31.05.2021.





Corporate Office

B-503, Sahyog Building, S.V. Road, Kandivali (W), Mumbai - 400067.

Registered Office

M-2, Shree Nivas Building, 382/384, Narshi Natha Street,
Masjid Bunder, Mumbai - 400009.

Branch

Plot No. 15, Sector 10/A, 13, Ambika Apartments, Gurukul,
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