



**Chemiesynth**  
..... **Group**

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**Annual Report**  
**2014-15**

**Chemiesynth (Vapi) Limited**

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# Corporate Information

## **Board of Director:**

MR. SATISH BHOGILAL ZAVERI

- Non Independent Non Executive Director

MR. SANDIP SATISHBHAI ZAVERI

- Managing Director

MR. BHANURAI NAGINDAS MEHTA

- Non Independent Non Executive Director

MR. MINESH JAYSHUKHLAL SHAH

- Additional Independent Non Executive Director

MR. RUSHABH MEHTA

- Additional Independent Non Executive Director

MRS. PURVI KALPESH GANDHI

- Additional Independent Non Executive Director

## **Auditors:**

M/s. Manoj Shah & Co.,

Chartered Accountants, Vapi.

## **Secretarial Auditors:**

M/s. HS Associates,

Company Secretaries, Mumbai

## **Registered Office:**

CIN: L24110GJ1986PLC008634

Plot No. 27, GIDC, Vapi

Dist. Valsad, Gujarat – 396 195.

## **Audit Committee:**

Mr. Minesh J. Shah - Chairman

Mr. Rushabh Mehta - Member

Mr. Sandip Zaveri -Member

## **Registrar & Share Transfer Agent:**

Purva Sharegistry (India) Pvt. Ltd.

Unit no. 9, Shiv Shakti Ind. Estt.

J .R. Boricha marg,

Opp. Kasturba Hospital Lane

Lower Parel (E), Mumbai 400 011

## **Nomination & Remuneration**

### **Committee:**

Mr. Rushabh Mehta- Chairman

Mr. Minesh J. Shah - Member

Mr. Bhanurai Mehta- Member

## **29<sup>th</sup> Annual General Meeting:**

Day: Monday

Date : 28th September, 2015

Venue: Plot No. 27, GIDC, Vapi

Dist. Valsad – 396 195

Time : 11:30 AM

## **Shareholders/Investors Grievance**

### **Committee:**

Mr. Rushabh Mehta- Chairman

Mr. Minesh J. Shah - Member

Mr. Sandip Zaveri- Member

## **Company Secretary &**

### **Compliance Officer:**

Mr. Bhupendra N. Hatkar

## **Book Closure:**

Date:20/09/2015 to 28/09/2015

(Both days inclusive)

## **Chief Financial Officer:**

Mr. Parimal A. Desai



# CHEMIESYNTH (VAPI) LIMITED

Plot No. 27, GIDC, Vapi, Dist. Valsad, Gujarat - 396195

CIN: L24110GJ1986PLC008634

## : Notice :

Notice is hereby given that the 29th Annual General Meeting of the Members of **CHEMIESYNTH (VAPI) LIMITED** will be held on Monday, 28th September, 2015 at 11:30 AM at the Registered Office of the Company at Plot No. 27, GIDC, Vapi, Dist. Valsad, Gujarat – 396 195 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2015, including the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.
2. To appoint a director in place of Mr. Bhanuraj N. Mehta (DIN: 00158885), liable to retire by rotation in term of section 152(6) of the Companies Act, 2013 and being eligible, seeks reappointment and to pass the following resolution as **ordinary resolution:**

**"RESOLVED THAT** pursuant to the provisions of section 152(6) and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Bhanuraj N. Mehta (DIN: 00158885) be and is hereby appointed as Non independent non executive director of the company, liable to retire by rotation."

3. To appoint auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to provisions of section 139 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Rules made thereunder, and pursuant to recommendation of the Audit committee of the Board of Director, M/s. Manoj Shah & Co., Chartered Accountants, (Firm No.: 106036W) from whom written consent and certificate of eligibility has been received, be and are hereby appointed as auditor of the company from conclusion of this Annual General Meeting till conclusion of 31st Annual General Meeting to be held in year 2017 (Subject to ratification of the appointment by the members at every AGM held after this AGM) and that the Board of Directors be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the auditor.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

**SPECIAL BUSINESS:**

4. Appointment of Independent Director- Mr. Minesh Jayshukhlal Shah  
To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution:**

**"RESOLVED THAT,** pursuant to Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and clause 49 of the listing agreement (including any statutory modifications or amendments or re-enactment thereof for time being in force), Mr. Minesh Jayshukhlal Shah (DIN: 00236300), who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from November 01, 2014 and who holds office till the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Minesh Jayshukhlal Shah (DIN: 00236300) as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years ending on October 31, 2019, not liable to retire by rotation."

5. Appointment of Independent Director- Mr. Rushabh Mehta  
To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution:**

**"RESOLVED THAT,** pursuant to Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and clause 49 of the listing agreement (including any statutory modifications or amendments or re-enactment thereof for time being in force), Mr. Rushabh Mehta (DIN: 00784327), who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from November 01, 2014 and who holds office till the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Rushabh Mehta (DIN: 00784327) as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years ending on October 31, 2019, not liable to retire by rotation."

6. Appointment of Independent Director- Mrs. Purvi Kalpesh Gandhi  
To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution:**

**"RESOLVED THAT,** pursuant to Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and clause 49 of the listing agreement (including any statutory modifications or amendments or re-enactment thereof for time being in force), Mrs. Purvi Kalpesh Gandhi (DIN: 07009346), who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from November 01, 2014 and who holds office till the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. Purvi Kalpesh Gandhi (DIN: 07009346) as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years ending on October 31, 2019, not liable to retire by rotation."

**For and on behalf of the Board of Directors**

**Place :** Vapi

**Date:** 25th August, 2015

Sd/-

**Mr. Sandip S. Zaveri**

**Managing Director**

**DIN: 00158876**

## NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays, between 10.00 a.m. and 4.00 p.m. up to the date of the Meeting.
6. Brief resume of all Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se are annexed as Annexure A.
7. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
8. The Register of Members and Share Transfer Books will remain closed from 20th September, 2015 to 28th September, 2015 (Both days inclusive).
9. The Shareholders are requested to notify their change of address immediately to the Registrars & Transfer Agent.
10. The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at <http://www.chemiesynth.com>.
11. Copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy of Annual Report to the Meeting.
12. **E-voting:**  
In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended vide Companies (Management and Administration) Amendment Rules, 2015 w.e.f. 19 March 2015 and Clause 35B of the Listing Agreement entered into with the Stock Exchanges, the Company is pleased to provide to the Members facility of voting by electronic means in respect of businesses to be transacted at the 29th Annual General Meeting (AGM) which includes remote e-voting. The Company also proposes to provide the option of voting by means of Ballot Form at the AGM in addition to the electronic voting system mentioned above. Shareholders have also an option to indicate their manner of voting by proxy. The Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means.  
**The remote e-voting period starts on Wednesday, 23 September, 2015 at 9.00 a.m. and ends on Sunday, 27 September, 2015 at 5.00 p.m.**

Mr. Nitin Sarfare, Partner of M/s. HS Associates, Company Secretaries, 206, 2nd Floor, Tantia & Jogani Industrial premises, Sitaram Mills Compound, J. L. Boricha Marg, Opp. Lodha Exelus, Lower Parel [E], Mumbai - 400 011, who had consented to act as the Scrutinizer, was appointed by the Board of Directors as the Scrutinizer to scrutinize the voting process (electronically or otherwise) for the 29th Annual General Meeting of the Company in a fair and transparent manner and submit a consolidated Scrutinizer's report of the total votes cast to the Chairman or a person authorised by him in writing.

The procedure with respect to e-voting is provided below:

**A) In case of Members receiving notice by e-mail from NSDL:**

- i. Open e-mail and open the attached PDF file viz; "[chemiesynth.e-voting.pdf](#)" with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password.
- ii. Launch internet browser by typing the URL <https://www.evoting.nsd.com>.
- iii. Click on "Shareholder-Login".
- iv. Insert your user ID and password as initial password noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting, you can use your existing user ID and password for casting your vote.
- v. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of e-voting opens. Click on "e-voting: Active Voting Cycles".
- vii. Select "E Voting Event Number (EVEN)" of Chemiesynth (Vapi) Limited for casting your vote (EVEN is provided on attendance slip).
- viii. Now you are ready for e-voting as "Cast Vote" page opens.
- ix. Cast your vote by selecting appropriate option and click on: "Submit" and also "Confirm" when prompted. Upon confirmation, the message "vote cast successfully" will be displayed.
- x. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xi. Institutional Shareholders and bodies corporate (i.e. other than individuals, HUF, NRI etc) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer through e-mail to [nitin@hsassociats.net](mailto:nitin@hsassociats.net) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**B) In case of Members receiving Notice of Annual General Meeting by post:**

- a. Initial password is provided on Attendance Slip for the AGM.
- b. Please follow all steps from Sl. No. (ii) to Sl. No.(xi) mentioned in (A) above, to cast your vote.

**Other Instructions for eVoting:**

- I.** Persons who have acquired shares and became Members of the Company after the dispatch of the Notice of the AGM but before the cut-off date of 23rd September, 2015, may obtain their user ID and password for e-voting from Company's Registrar & Transfer Agents, Purva Sharegistry (I) Pvt Ltd, 9 Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai, 400011 (Telephone: 022 - 23018261 / 23012518, Fax: 23012517) or NSDL (Phone +91 22 2499 4600).
  - II.** **The remote e-voting period starts on Wednesday, 23 September, 2015 at 9.00 a.m. and ends on Sunday, 27 September, 2015 at 5.00 p.m.** During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the **cut-off date of 21 September, 2015**, may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter at 5.00 p.m. on Sunday, 27 September, 2015. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
  - III.** In case of any queries, you may refer to the "Frequently Asked Questions (FAQs)" for Shareholders and e-voting user manual for Shareholders available at the "downloads" section of NSDL website at [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - IV.** The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. In case of joint holders, only one of the joint holders may cast his vote.
  - V.** Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting through electronic voting system/ballot. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
  - VI.** The Results of the e-voting will be declared not later than three days of conclusion of the AGM i.e. Thursday, 1<sup>st</sup> October, 2015. The declared results along with the Scrutinizer's Report will be available on the Company's website at <http://www.chemiesynth.com> and on the website of NSDL at [www.evoting.nsd.com](http://www.evoting.nsd.com) and will also be forwarded to the Stock Exchanges where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.
13. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on cut off date i.e. 21 September, 2015.
14. Members, who do not have access to e-voting facility, may cast their vote by sending duly signed ASSENT / DISSENT FORM FOR VOTING ON AGM RESOLUTIONS.

ASSENT / DISSENT FORM FOR VOTING ON AGM RESOLUTIONS is annexed to this Annual Report.

## **EXPLANATORY STATEMENT IN TERMS OF SECTION 102 (2) OF THE COMPANIES ACT, 2013**

### **Item No. 4 to 6:**

Chemiesynth (Vapi) Limited, being public listed entity, requires to appoint Independent Directors on board of the company as per the Companies Act, 2013 and as per the listing agreement, who are not liable to retire by rotation. The company has appointed Mr. Minesh Jayshukhlal Shah, Mr. Rushabh Mehta and Mrs. Purvi Kalpesh Gandhi as An additional independent non executive director in board meeting dated November 01, 2014.

Mr. Minesh Jayshukhlal Shah, Mr. Rushabh Mehta and Mrs. Purvi Kalpesh Gandhi, additional independent non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during 10.00 a.m. and 4.00 p.m. on any working day, excluding Saturday and Sunday, up to the date of the meeting.

A brief profile of the Independent Directors to be appointed is given below:

**Mr. Rushabh Mehta**, aged about 46 years, is having bachelor degree in commerce. He has more than 15 years experiences in real estate business. His suggestions and views provides added value for making good decisions.

**Mr. Minesh Jaysukhlal Shah**, aged about 45 years is B.E Chemical Engineer by qualification. He has vast knowledge in chemical industries. He has more than 10 years of experience in chemical trading business.

**Mrs. Purvi Gandhi**, aged about 40 years practicing Chartered Accountant with more than 5 years' experience. She has expert knowledge in accountancy, taxation, legal, financial, capital market, banking and regulatory affairs. The Board has the advantage of her wide experience in the financial services field.

Other details of the Independent Directors, whose appointments are proposed at Item Nos. 4 to 6 of the accompanying Notice, have been given in the annexure attached as Annexure A (along with details of other directors).

Mr. Minesh Jayshukhlal Shah, Mr. Rushabh Mehta and Mrs. Purvi Kalpesh Gandhi, respectively, are concerned or interested in the Resolutions of the accompanying Notice relating to their own appointment.

**For and on behalf of the Board of Directors**

**Place :** Vapi

**Date:** 25th August, 2015

Sd/-

**Mr. Sandip S. Zaveri**  
**Managing Director**  
**DIN: 00158876**



## **DIRECTORS' REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2015**

### **Dear Shareholders,**

Your Directors present the 29th Annual Report and Audited Financial Statements of the company for the year ended 31st March, 2015.

The performance of the company for the year was impacted due to lessor market. Other reasons for poor performance are increasing labour cost, raising rate of raw materials and electricity cost, etc.

### **FINANCIAL RESULTS**

During the year under review, the financial results on the operations of the Company are as under:

<b>Particulars:</b>	<b>(Amount in Rupees)</b>	
	<b>This Year(2014-15)</b>	<b>Pervious Year(2013-14)</b>
<b>Gross Income</b>	<b>111,549,497</b>	<b>97,651,716</b>
<b>Profit / (Loss) before Depreciation</b>	<b>(6,892,561)</b>	<b>3,610,893</b>
<b>Less : Depreciation</b>	<b>(2,813,897)</b>	<b>(2,465,808)</b>
<b>Profit (Loss) before Tax</b>	<b>(9,706,458)</b>	<b>1,145,085</b>
<b>Less Provision for Tax : Current Tax</b>	-----	-----
<b>: Deferred Tax</b>	-----	-----
<b>Profit (Loss) for the year</b>	<b>(9,706,458)</b>	<b>1,145,085</b>

### **DIVIDEND**

In view of the loss incurred by the Company during the financial year, Directors regret their inability to recommend any dividend to the shareholders for the year.

### **DEPOSITS :**

The Company has not accepted any public deposits.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The company accords high priority to control environment and conservation of energy, which is an on going process. The Company has planted trees to control and maintain environment surrounding of the factory. As required by the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given in separate statement attached here to and forming part of the report (Annexure B).

### **SAFETY AND HEALTH**

The Company gives highest priority to safety and occupational health. The factory buildings and machinery are maintained in safe condition. Process operations and handling of chemicals at the factory are reviewed frequently for safety. Adequate safety equipments are given to workers for safe guard.

### **PARTICULARS OF EMPLOYEES**

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, statement of particulars of employees is annexed. (Annexure C)

### **AUDITORS:**

M/s Manoj Shah & Co, Chartered Accountants, statutory auditors retire at the ensuing Annual General Meeting. Board of directors, pursuant to the provisions of section 139 of the Companies Act, 2013, proposed to re appoint M/s. Manoj Shah & Co, Chartered Accountants, as Independent Auditor of the Company based on recommendation of Audit Committee.

## **ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual directors. The Board of Directors is further making efforts to enhance the performance.

## **PARTICULARS OF LOANS, INVESTMENTS AND GURANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The company has not given any loan or guarantee nor made any investment under section 186 of the Companies Act, 2013.

## **DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS**

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the Company have made a declaration confirming the compliance of the conditions of the independence stipulated in the aforesaid section.

## **RISK MANAGEMENT POLICY/ COMMITTEE**

The Board of Directors are in process of formulating Risk Management Policy of the company keeping in view more focused on identification and prioritising the risks.

The Management evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company.

## **EXTRACT OF ANNUAL RETURN**

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, the extract of annual return (MGT-9) is annexed herewith and forming part of the report. (Annexure D)

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 134(3) (c) of the Companies Act, 2013 and also on the basis of discussions with the Statutory Auditors of the Company from time to time, we 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 directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

The Board of directors have met 8 times and Independent Directors once during the year ended 31st March, 2015. Details of Board Meetings date and attendance of Director are given in Corporate Governance Report.

Meetings of Board of Directors held during financial year 2014-15 are as follows:

1	10th May, 2014	5	30th September, 2014
2	28th May, 2014	6	14th October, 2014
3	14th August, 2014	7	1st November, 2014
4	1st September, 2014	8	28th January, 2015

#### **DETAILS OF COMMITTEE OF DIRECTORS**

Composition of Audit Committee of directors, Nomination and Remuneration Committee of Directors and Stakeholders Relationship/Grievance Committee of Directors, number of meetings held of each committee during the financial year 2014-15 attendance by each member of Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report and forming part of the Report.

The recommendation by the Audit committee as and whenever made to Board has been accepted by it.

#### **PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY**

The company has sold various finished products and/or intermediate products, in ordinary course of business at ARM LENGTH PRICE, to related parties in which directors are interested. Further some of machineries, from time to time, were sold to related party during the financial year 2014-15 at current market price and after proper valuation of machineries. The board of directors has approved the transactions from time to time. (List of transactions is attached. (Annexure E))

#### **SECRETARIAL AUDIT REPORT**

A Secretarial Audit Report for the year ended 31st March, 2015 in prescribed form duly audited by the Practising Company Secretary Mr. Nitin Sarfare, Partner of M/s. HS Associates, Company Secretaries, 206, 2nd Floor, Tantia & Jogani Industrial premises, Sitaram Mills Compound, J. L. Boricha Marg, Opp. Lodha Exelus, Lower Parel [E], Mumbai - 400 011, is annexed herewith and forming part of the report.

#### **COMMENTS ON SECRETARIAL AUDIT REPORT**

The board of directors are in process of appointment of Internal Auditor and will comply with section 138 of the Companies Act, 2013. The company had complied with the requirement of Key Managerial Personnel till date of this AGM. The board is in plan of obtaining shareholders approval under Section 180 of the Companies Act, 2013. The company has recovered the excess remuneration from managing director.

#### **CORPORATE SOCIAL RESPONSIBILITY POLICY**

The company is not falling within the criteria of Section 135 of the Companies Act, 2013. Board of Directors will formulate the policy once it comes within the provisions of Section 135 of the Companies Act, 2013.

#### **KEY MANAGERIAL PERSONNEL**

Mr. Sandip S. Zaveri (DIN: 00158876) was appointed as Managing Director of the company pursuant to Section 203 of the Companies Act, 2013. Mr. Parimal A. Desai (Account Head) was designated as Chief Financial Officer and Mr. Bhupendra N. Hatkar was appointed as Company Secretary cum Compliance Officer.

#### **DIRECTORS**

Mr. Sandip Zaveri was appointed as a Managing Director of the company with the effect from 1st October, 2014. Board of Directors have appointed Mr. Minesh Jayshukhlal Shah, Mr. Rushabh Mehta and Mrs. Purvi Kalpesh Gandhi as Additional Independent Non Executive Directors of the company with the effect from 1st November, 2014. Their terms of appointment as Additional Director expire at this Annual General Meeting. Board of Directors recommend members to approve their appointment for term of five years as an Independent Director.

#### **POLICY ON DIRECTORS' APPOINTMENT**

Policy on Directors' appointment is to follow the criteria as laid down under the Companies Act, 2013 and the Listing Agreement with Stock Exchanges and good corporate practices. Emphasis is given to persons from diverse fields or professions.

## **POLICY ON REMUNERATION**

- Guiding Policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is that
- Remuneration to unionised workmen is based on the periodical settlement with the workmen union.
  - Remuneration to Key Managerial Personnel, Senior Executives, Managers, Staff and Workmen (non Unionised) is industry driven in which it is operating taking into account the performance leverage and factors such as to attract and retain quality talent.
  - For Directors, it is based on the shareholders resolutions, provisions of the Companies Act, 2013 and Rules framed therein, circulars and guidelines issued by Central Government and other authorities from time to time.

## **VIGIL MECHANISM**

Your Company has put in place Whistle Blower Mechanism. The detailed mechanism is given in Corporate Governance Report forming part of this report.

## **POLICIES OF THE COMPANY**

The Board of Directors has formulated the following policies which are available on web site of the company <http://www.chemiesynth.com>.

1. Code Of Business Conduct For Directors And Senior Executives
2. Nomination and Remuneration Policy
3. Vigil Mechanism / Whistle Blower Policy
4. Insider Trading - Code of Conduct
5. Code of Fair Disclosure CSL

## **CORPORATE GOVERNANCE**

Your Company reaffirms its commitment to Corporate Governance and has fully complied with the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement with Stock Exchanges. A report on Corporate Governance is attached herewith.

## **ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for the whole hearted and sincere co-operation the Company has received from its banker, Bank of Baroda and various Government agencies. Your Directors also wish to thank all the employees for their co-operation.

**Place :** Vapi

**Date:** 25st August, 2015

**For and on behalf of the Board of Directors**

Sd/-

**Mr. Sandip S. Zaveri, Managing Director**

**DIN: 00158876**

## **REPORT ON CORPORATE GOVERNANCE**

### **1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE.**

The Company's philosophy on Corporate Governance is aimed at assisting the management in the efficient conduct of its business in a fair and transparent manner.

It envisages attainment of higher level of transparency, greater accountability and equity in all facets of its operations and its interaction with its stakeholders and the community at large.

### **2. BOARD OF DIRECTORS:**

The Board as on 31st March, 2015 comprises of six Directors out of which five Directors are Non-Executive Directors and one Director is Managing Director who is responsible for the day-to-day management of the Company subject to the supervision, direction and control of the Board of Directors. The Chairman of the Company is Non-Executive Director. The remaining three Directors are Independent Directors comprises half of the total strength of the Board. Out of three Independent Directors, one director is Women Independent Director. All Independent Directors are appointed as an Additional Non Executive Independent Director on 1st November, 2014.

Attendance at Board Meetings and Details of Chairmanship and Membership on board and in committees of other companies.

Name of Director	No. of Board Meetings held during financial year 2014-15	No. of Board Meetings attended	Number of Membership in Boards of Other Companies*	NO. of Membership/ Chairmanship in Other
Mr. Satish B. Zaveri	8	8	NIL	NIL
Mr. Sandip S. Zaveri	8	8	NIL	NIL
Mr. Bhanurai Mehta	8	7	NIL	NIL
Mr. Minesh Jayshukhlal Shah	8	1#	NIL	NIL
Mr. Rushabh Mehta	8	1#	NIL	NIL
Mrs. Purvi Kalpesh Gandhi	8	1#	NIL	NIL

\* Excludes directorships in Private Limited Companies, Section 25 Companies, Foreign Companies. Membership/Chairmanship in Committee of Directors includes Audit Committee and Stakeholders' Relationship/Grievance Committee of Directors only. This does not include Membership/Chairmanship in Committee of Directors of Chemiesynth (Vapi) Limited.

# Mr. Minesh Jayshukhlal Shah, Mr. Rushabh Mehta and Mrs. Purvi Kalpesh Gandhi were appointed on 1st November, 2014.

Mr. Satish Zaveri, Mr. Sandip Zaveri and Mr. Bhanurai Mehta were present at the last Annual General Meeting held on 30th September, 2014.

Board Meetings were held during the year 2014-15 on following dates :

1	10th May, 2014	5	30th September, 2014
2	28th May, 2014	6	14th October, 2014
3	14th August, 2014	7	1st November, 2014
4	1st September, 2014	8	28th January, 2015

### 3. Audit Committee:

The composition of Audit Committee consists of two independent directors and a Managing Director. The terms of reference stipulated by the Board to the Audit Committee and Contained under the revised clause 49 of the Listing Agreement are briefly described below:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company, fixation of the audit fees and approving payments for any other services.
3. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b) Changes, if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgment by management
  - d) Significant adjustments made in the financial statements arising out of audit findings
  - e) Compliance with listing and other legal requirements relating to financial statements
  - f) Disclosure of any related party transactions
  - g) Qualifications in the draft audit report
4. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

5. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Discussion with internal auditors of any significant findings and follow up there on;
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
17. Review the following information:
  - Management discussion analysis of financial condition and results of operations;
  - Statement of significant related party transactions;
  - Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - Internal audit reports relating to the internal control weaknesses;
  - The appointment, removal and remuneration of the chief internal auditors; and
  - The financial statements, in particular, the investment made by unlisted subsidiary companies.

Composition of Audit Committee as on 31st March, 2015 is as follows:

Name	Chairman/ Member	No. of Audit committee meetings	No. of Audit Committee meetings attended
Mr. Minesh J. Shah (Independent Director)	Chairman	4	1#
Mr. Rushabh Mehta (Independent Director)	Member	4	1#
Mr. Sandip Zaver (Managing Director)	Member	4	4
Mr. Satish Zaveri (Chairman)	Member	4	3*
Mr. Bhanuraj Mehta (Non Independent Director)	Member	4	3*

# Mr. Minesh J. Shah and Mr. Rushabh Mehta were appointed w.e.f. 01/11/2014.

\*Mr. Satish Zaveri and Mr. Bhanuraj Mehta are no longer members of Audit Committee w.e.f.01/11/2014.

Audit Committee meeting were held 4 times on the following dates during the year 2014-15:

28th May, 2014, 14th August, 2014, 14th October, 2014, 28th January, 2015

#### 4. Nomination and Remuneration Committee:

Composition of Nomination and Remuneration Committee:

Mr. Rushabh Mehta	- Chairman
Mr. Minesh Shah	- Member
Mr. Bhanurai Mehta	- Member

- Nomination and Remuneration Committee's functions are as follows:
  - Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
  - Formulation of criteria for evaluation of Independent Directors and the Board;
  - Devising a policy on Board diversity;
  - Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
- Detailed functions of Nomination and Remuneration Committees are prescribed in Nomination and Remuneration Policy which is available on website of the company.

#### 5. Shareholder/Investors Grievance Committee:

Board of Directors has reformed Shareholder/Investors Grievance committee consisting Two Independent Director.

Composition of Committee is as under:

Mr. Rushabh Mehta (Independent Director)	- Chairman
Mr Minesh J. Shah (Independent Director)	- Member
Mr. Sandip Zaveri (Director)	- Member

#### Compliance Officer:

Mr. Bhupendra N. Hatkar

Email: [bhupenhatkar@gmail.com](mailto:bhupenhatkar@gmail.com)

[bhupenchemiesynth@gmail.com](mailto:bhupenchemiesynth@gmail.com)

Contact No. : +91 9033 490 471

Number of shareholders' complaints received : NIL

Number not solved to the satisfaction of shareholders : NIL

Number of pending complaints : NIL

#### 6. General Body meetings:

During the last three years, your Company's Annual General Meetings were held at the registered office of the Company on the following dates:

1. Tuesday, 30th September, 2014 at 11:30 a.m.
2. Monday, 30th September, 2013 at 11:30 a.m.
3. Saturday, 29th September, 2012 at 11: 30 a.m.

No resolution is proposed to be conducted through postal ballot. At this Annual General Meeting, resolutions will be passed through remote evoting, by sending duly signed assent or dissent form, Voting at AGM and voting thorough Proxy.

**7. Means of Communication:**

The quarterly and half yearly unaudited financial results are forthwith communicated to BSE stock exchange and generally published in Damanganga Newspaper (Gujarati Newspaper) and in The Free Press Journal (English Newspaper) from time to time. The financial results are made available on website of the company <http://www.chemiesynth.com>.

**8. Vigil Mechanism / Whistle Blower Policy**

The Company has put in place a Whistle Blower Policy to provide an open and transparent working environment and to promote responsible and secure whistle blowing system for directors and employees of the Company to raise concern. The Policy provides adequate safeguard against victimisation of director(s) / employee(s) who raise the concern and have access to Chairman of Audit Committee who is entrusted to oversee the whistle blower mechanism. The Policy is available on the website of the Company <http://www.chemiesynth.com>.

**9. GENERAL SHAREHOLDERS INFORMATION:**

* Annual General Meeting	
Date	28th September, 2015
Time	11:30 a.m.
Venue	Plot no. 27 GIDCVapi, Dist. Valsad, Gujarat – 396 195
* Financial Year	April to March
* Date of Book Closure	20/09/2015 to 28/09/2015 (both days inclusive)
* Dividend Payment Date	No dividend proposed to be declared at ensuing Annual General Meeting
* Listing on Stock Exchange	BSE India Limited
* Stock code	539230
* Market Price Data:	No trading took place on the BSE Limited.
* Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.	No trading took place on the BSE Limited.
* Registrar and Transfer Agents	Purva Sharegistry (India) Pvt. Ltd. Unit no. 9, Shiv Shakti Ind. Estt. J .R. Boricha marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai - 400 011. Phone No.: 022 23012518
* Dematerialization of shares and liquidity	Total share capital of the company is in Physical Form.
* ADRs/ GDRs/ Warrants	The company has not issued ADRs/GDRs/Warrants or any convertible instruments.
ISIN allotted to Equity Shares	INE829R01018
* Address for correspondence	Plot no. 27 GIDCVapi, Dist. Valsad, Gujarat – 396195
* Plant Location	Orchemiesynth (Vapi) Limited B- 401/402, 4 <sup>th</sup> Floor, Nilkanth Business Park, Vidyavihar West. Mumbai 400086. Phone: 022-25144402 Fax: 022-25146591 Plot no. 27 GIDCVapi, Dist. Valsad, Gujarat – 396195



\* Distribution of shareholding

The distribution of shareholding of the Company as on 31st March, 2015 was as follows:

Category(No. of Shares)	No. of Shareholders	Percentage	No. of Shares	Percentage
1-5000	484	88.97	384000	1.25
5001-1000	21	3.86	183000	0.60
10001-20000	6	1.10	106000	0.35
20001-30000	4	0.74	113000	0.37
30001-40000	2	0.37	70000	0.23
40001-50000	3	0.55	123000	0.40
50001-100000	4	0.74	263400	0.86
100001 and above	20	3.67	29457600	95.95
<b>Total</b>	<b>544</b>	<b>100.00</b>	<b>30700000</b>	<b>100.00</b>

The shareholding pattern of the Company as on 31st March, 2015 was as follows:

Category	No. of Shares	% of total capital
Promoters	1825200	59.45
NRIs, OCBs and FIIs	NIL	NIL
Financial Institutions, Mutual Funds, Banks & Insurance Companies	NIL	NIL
Domestic Corporation Bodies/Trusts/HUF	1012000	32.96
General Public including shares in transit	232800	7.59
<b>Total</b>	<b>3070000</b>	<b>100%</b>

**CEO/CFO certification**

To,

**The Board of Directors,  
Chemiesynth (Vapi) Limited.**

Plot No. 27, GIDC, Vapi, Dist. Valsad, Gujarat.

We, Mr. Sandip Zaveri - Managing director & Mr. Parimal Desai - CFO of the company hereby certify that in respect of the financial year ended on 31st March, 2015.

We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit committee:

1. Significant changes, if any, in internal control over financial reporting during the year;
2. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. Instances of significant fraud, if any, which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's Control system over financial reporting.

**Place:** Vapi  
**Date:** 25th August, 2015

**Sandip Zaveri**  
Sd/-  
**Managing Director**  
**DIN: 00158876**

#### **DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the Code of Conduct, framed pursuant to Clause 49(IIE) of the Listing Agreement with the Stock Exchanges, in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31st March, 2015.

**Place:** Vapi  
**Date:** 25th August, 2015

**Sandip Zaveri**  
Sd/-  
**Managing Director**  
**DIN: 00158876**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The key areas of Management Discussion and Analysis are given below:

#### **Industry Structure And Developments**

Your Company is a custom manufacturing for leading Agrochemical, Pharmaceutical and Specialty Chemical Companies. Your company has R&D Team.

#### **Outlook**

Our focus will continue on sustainable growth by taking measures for increasing our market share of existing products and creating new business in niche industry customers.

#### **Opportunities and Threats**

The chemical industry is a key contributor in the economic development of any country. With stable government, India is emerging as manufacturing hub to the World. Your company is facing competition in domestic market from Foreign competitors, specifically from China.

#### **Risks & Concerns**

Your company is in process of evolving policy on Risk. Presently, your company is focusing best manufacturing methods keeping in view safety measures.

#### **Internal Control System and Adequacy**

The Company has suitable and adequate internal control system and adequacy system for safeguarding the assets. Board of Directors is reviewing the system from time to time for benefits of the company.

#### **Human Resources**

The company is providing sufficient motivation for better performance of human resources. Company's main emphasis is on developing skill and expertise in employees.

#### **Financial Performance**

The financial Performance of the Company for the year under review is discussed in detail in the Directors Report.

**Place:** Vapi  
**Date:** 25th August, 2015

**For and on behalf of the Board of Directors**  
Sd/-  
**Mr. Sandip S. Zaveri, Managing Director**  
**DIN: 00158876**

## Annexure. A

### Detail of All Directors including those seeking Appointment/Re-appointment at the Annual General Meeting.

#### 1. Mr. Satish Bhogilal Zaveri.

Date of Birth	Date of Appointment	Qualification	DIN	Number of Shares held in the Company
25/04/1938	24/04/1986	B.E. (Chemical Engineering)	00158861	1,088,660

Directorship Held in other companies (excluding foreign companies)	Membership/Chairmanship of committees of other company
1. CS Specialty Chemicals Private Limited 2. CS Performance Chemicals Private Limited	NIL

#### Expertise in specific functional areas:

He has more than 45 years experience in chemical industry as a technocrat entrepreneur. With the experience earned in the varied areas of business activities and strategic planning, Mr. Satish Bhogilal Zaveri developed using commercially viable business models to stimulate and sustain the social change in the Company.

#### 2. Mr. Sandip Satishbhai Zaveri

Date of Birth	Date of Appointment	Qualification	DIN	Number of Shares held in the Company
07/11/1969	30/06/2001	BE, MS Chemical Engineering	00158876	360,500

Directorship Held in other companies (excluding foreign companies)	Membership/Chairmanship of committees of other company
1. CS Bio - Sciences Private Limited 2. CS Specialty Chemicals Private Limited 3. CS Performance Chemicals Private Limited	NIL

#### Expertise in specific functional areas:

He has more than 18 years experience in chemical industry as a technocrat entrepreneur. With his experience in the business activities and strategic planning, he is helpful in decision taking in the business of the Company.

#### 3. Mr. Bhanuraj Nagindas Mehta

Date of Birth	Date of Appointment	Qualification	DIN	Number of Shares held in the Company
12/10/1937	02/11/1994	Automobile Engineer	00158885	239,000

Directorship Held in other companies (excluding foreign companies)	Membership/Chairmanship of committees of other company
1. CS Specialty Chemicals Private Limited 2. Solid Quality India Private Limited	NIL

#### Expertise in specific functional areas:

He has more than 40 years experience in insurance industry as Surveyor and investor. His views and suggestions are quite helpful in the business activities and decision making in the company.

**4. Mr. Minesh Jayshukhlal Shah**

Date of Birth	Date of Appointment	Qualification	DIN	Number of Shares held in the Company
06/08/1970	01/11/2014	BE Chemical Engineer	00236300	<b>NIL</b>

Directorship Held in other companies (excluding foreign companies)	Membership/Chairmanship of committees of other company
1.Solarson Chemicals Taloja Private Limited	<b>NIL</b>

**Expertise in specific functional areas:**

He has expert knowledge in chemical industry.

**5. Mr. Rushabh Mehta**

Date of Birth	Date of Appointment	Qualification	DIN	Number of Shares held in the Company
18/11/1968	01/11/2014	B.Com	00784327	<b>NIL</b>

Directorship Held in other companies (excluding foreign companies)	Membership/Chairmanship of committees of other company
1.Felicity Exports Private Limited 2.Royal House Agency Private Limited	<b>NIL</b>

**Expertise in specific functional areas:**

He has expert knowledge in Current market affairs of Real Estate.

**6. Mrs. Purvi Kalpesh Gandhi**

Date of Birth	Date of Appointment	Qualification	DIN	Number of Shares held in the Company
27/03/1975	01/11/2014	Chartered Accountant	07009346	<b>NIL</b>

Directorship Held in other companies (excluding foreign companies)	Membership/Chairmanship of committees of other company
<b>NIL</b>	<b>NIL</b>

**Expertise in specific functional areas:**

She has expert knowledge in Taxation, Accountancy, Banking, legal and regulatory affairs.

Required information of remunerations of directors as per section II of part II of Scedule V to the Companies Act, 2013 are provided in MGT-9 attached herewith as Annexure D.

## ANNEXURE B

**Information on conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.**

**(A) Conservation of energy-**

- (i) Steps taken or impact on conservation of energy;
  - a) Improving Natural Light by opening Windows, studying illumination of tube lights by CFL lamps etc.
  - b) Maintaining old machinery in good condition, retrofitting or replacing with energy efficient ones.
  - c) Minimising idle running of machinery.

The above measures undertaken have resulted in savings in the cost of production.

- (ii) Utilising alternate sources of energy: NIL
- (iii) Capital investment on energy conservation equipments: NIL

**(B) Technology absorption-**

- (i) Efforts made towards technology absorption: NIL
- (ii) Benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- (iii) Imported technology (imported during the last three years reckoned from the beginning of the financial year)- NIL
- (iv) The expenditure incurred on Research and Development: NIL

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Foreign Exchange Earning	Rs 3,039,862/-
Foreign Exchange Outgo	Rs. 4,419,600/-

## Annexure. C

**DISCLOSURE IN THE BOARD'S REPORT UNDER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

1 The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2014-15	Director's Name	Ratio to mean remuneration
	Mr. Sandip Zaveri	Rs. 1.25 : 1
2. The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the financial year 2014-15 compared to 2013-14 means part of the year.	Director's/CFO/CEO/CS/Mgr name	% age increase in remuneration
	Mr. Sandip Zaveri	0%
	Mr. Parimal Desai	0%
	Mr. Bhupendra Hatkar	He was appointed with the effect from 27/04/2015, hence not comparable.
3.The Percentage increase in remuneration of each	6.87%	
Chief Financial Officer, Chief Executive Officer, Company CS/Mgr name remuneration Secretary or Manager if any in the financial year 2014-15 compared to 2013-14	Director's/CFO/CEO	% age increase in

4. Percentage increase in the median remuneration of employees in the financial year 2014-15 compared to 2013-14 Number of permanent employees on the rolls of the company	As on 31.03.2015	As on 31.03.2014		
	46	45		
5. Explanation on the relationship between average increase in remuneration and the company performance	Revenue from operation increased 16.60% compared to financial year 2013-14. Increment to employees are given industry trends and inflation.			
6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Not applicable			
7. Variation in	31.03.2015	31.03.2014		
Market Capitalization	Not available. Trading	on Not Available. Trading		
Price Earning Ratio	BSE to commence	on BSE to commence		
Percentage Increase/decrease of market quotations				
Net worth of the Company	27,936,095	37,676,933		
8. Average percentile increase in salaries of Employees other than managerial personnel	During 2013-14	During 2014-15		
	15%	6%		
9. Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company				
Name of Key Managerial personnel	31.03.15	31.03.14	% age change	Reason against performance of the Company
Mr. Sandip Zaveri – MD	189,600	191,960	<b>0%</b>	No increment was given as compnay is making loss. Difference is due to present days and other reasons.
Mr. Parimal Desai – CFO	409,010	388,375	<b>5%</b>	Consedering industry trend.
Mr. Bhupendra Hatkar	-	-		He was appointed on post of company secretary w.e.f 27/04/2015 hence not comparable. (His present total remunerataion is Rs. 4,08,000 p.a.)

10 Key parameter for any variable component of remuneration availed by the Directors	NO
11 Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year(except KMP)	Employee Salary: Highest paid director
<b>SHRI G. B. PATEL</b>	2.42 : 1
<b>SHRI A.S. PATEL</b>	1.88 : 1
<b>SHRI ANIL C PATEL</b>	1.22 : 1
<b>DR, Y. B. DESAI</b>	1.41 : 1
<b>PRAKESH B. PATEL</b>	1.79 : 1
<b>PRAKESH P. PATEL</b>	1.68 : 1
<b>ASHWIN M. PATEL</b>	1.35 : 1
<b>UMESH CHHOWALA</b>	1.23 : 1
<b>GAJANAN MAHADIK</b>	1.13 : 1

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.No Employee is in receipt of remuneration which requires disclosure as per Rules 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.  
The company has recovered the excess remuneration from managing director.

## ANNEXURE D

### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

<b>I. REGISTRATION &amp; OTHER DETAILS:</b> <b>1.CIN</b> <b>2.Registration Date</b> <b>3.Name of the Company</b> <b>4.Category/Sub-category of the Company</b> <b>5.Address of the Registered office &amp; contact details</b> <b>6.Whether listed company</b> <b>7.Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	L24110GJ1986PLC008634 24/04/1986 CHEMIESYNTH (VAPI) LIMITED Company Limited by Shares/Indian Non-Government Company Plot no 27 GIDC Vapi Dist. Valsad, Gujarat, India - 396 195 Yes Purva Sharegistry (India) Pvt. Ltd.Unit no. 9, Shiv Shakti Ind. Estt.J .R. Boricha marg, Opp. Kasturba Hospital Lane,Lower Parel (E), Mumbai 400011. Phone No.: 022 23012518
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### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description main products	NIC Code of the Product/service	% to total turnover of the of company/ services
1	4 Sulpho 1, 8 Naphthalic Anhydride	20110	16.98%
2	Di Ethyl Meta Amino Phenol Aldehyde	20110	34.69%
3	2,6 Di Chloro Amino Phenol	20110	20.97%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name and Address of the company	CIN/GLN	Holding/ subsidiary/ Associate	% of Shares held	Applicable Section
1.	—	—	—	—	---

**VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)  
Category of Share holders**

	No. of Shares held at the beginning of the year 31.03.2014				No. of Shares held at the end of the year 31.03.2015				% Change During the Year
	Demat	Physical	Total % of Total	Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	1825200	1825200	59.45	-	1825200	1825200	59.45	
b) Central Govt	-	-	-	-	-	-	-	-	
c) State Govt(s)	-	-	-	-	-	-	-	-	
d) Bodies Corp.	-	-	-	-	-	-	-	-	
e) Banks / FI	-	-	-	-	-	-	-	-	
f) Any other	-	-	-	-	-	-	-	-	
Total shareholding of Promoter (A)	-	1825200	1825200	59.45	-	1825200	1825200	59.45	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	
b) Banks / FI	-	-	-	-	-	-	-	-	
c) Central Govt	-	-	-	-	-	-	-	-	
d) State Govt(s)	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	
f) Insurance Companies	-	-	-	-	-	-	-	-	
g) FIIs									
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (specify)	-	-	-	-	-	-	-	-	
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	
2. Non-Institutions									
a) Bodies Corp.									
I) Indian	-	1012000	1012000	32.96	-	1012000	1012000	32.96	
ii) Overseas	-	-	-	-	-	-	-	-	
b) Individuals	-	-	-	-	-	-	-	-	
I) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	88400	88400	2.89	-	91700	91700	2.99	0.1%



ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	144400	144400	4.70	-	141100	141100	4.60	0.1%
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	1244800	1244800	40.55	-	1244800	1244800	40.55	-
<b>Total Public Shareholding</b>	-	<b>1244800</b>	<b>1244800</b>	<b>40.55</b>	-	<b>1244800</b>	<b>1244800</b>	<b>40.55</b>	-
<b>(B)=(B)(1)+ (B)(2)</b>									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	<b>3070000</b>	<b>3070000</b>	<b>100</b>	-	<b>3070000</b>	<b>3070000</b>	<b>100</b>	-

**b.Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Satish Bhogilal Zaveri	1088660	35.46	-	1088660	35.46	-	-
2	Sandip S Zaveri	360500	11.74	-	360500	11.74	-	-
3	Bhanurai Nagindas Mehta	239000	7.79	-	239000	7.79	-	-
4	Charu Bhanurai Mehta	36000	1.17	-	36000	1.17	-	-
5	Sushila Ramesh Zaveri	24000	0.78	-	24000	0.78	-	-
6	Kamal Satish Zaveri	12000	0.39	-	12000	0.39	-	-
7	Narendra Bhogilal Zaveri	12000	0.39	-	12000	0.39	-	-
8	Nirmala Narendra Zaveri	14000	0.46	-	14000	0.46	-	-
9	Panna Suresh Mehta	12000	0.39	-	12000	0.39	-	-
10	Rushabh Bhanurai Mehta	8440	0.27	-	8440	0.27	-	-
11	Dilip Champaklal Zaveri	6600	0.21	-	6600	0.21	-	-
12	R Balasubramanian	6000	0.20	-	6000	0.20	-	-
13	Darshana Satish Zaveri	3000	0.10	-	3000	0.10	-	-
14	Gautam Ramesh Zaveri	3000	0.10	-	3000	0.10	-	-
	<b>Total</b>	<b>1825200</b>	<b>49.45</b>	<b>-</b>	<b>1825200</b>	<b>49.45</b>	<b>-</b>	<b>-</b>

**Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total	No. of	% of total

	shares	Shares of the Company	shares	Shares of the Company
At the beginning of the year	1825200	49.45	1825200	49.45
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
At the end of the year	1825200	49.45	1825200	49.45

**d. Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during theyear	
		No. of shares	% of total shares the company	No. of shares	% of total shares the company
<b>1</b>	<b>United Phosphorous Limited</b>				
	At the beginning of the year	921000	30.00	921000	30.00
	No Transaction	NIL	NIL	NIL	
	At the end of the year	921000	30.00	921000	30.00
<b>2</b>	<b>Gaurav Mallik</b>				
	At the beginning of the year	132000	4.30	132000	4.30
	Sale on 14/04/2014	1000	0.033	131000	4.267
	Sale on 12/05/2014	1000	0.033	131000	4.234
	Sale on 09/06/2014	1000	0.033	129000	4.201
	Sale on 23/06/2014	300	0.011	128700	4.19
	At the end of the year	128700	4.19	128700	4.19
<b>3</b>	<b>South Delhi Investments (P) Ltd</b>				
	At the beginning of the year	34900	1.13	34900	1.13
	No Transaction	-	-	-	-
	At the end of the year	34900	1.13	34900	1.13
<b>4</b>	<b>SRF</b>				
	At the beginning of the year	32900	1.07	32900	1.07
	No Transaction	-	-	-	-
	At the end of the year	32900	1.07	32900	1.07

**Note:** The change in the shareholding in the above shareholders was due to buying/selling of shares by the shareholders on various dates. The Company has not allotted any shares, issued bonus/sweat equity during the year.

**e. Shareholding of Directors and Key Managerial Personnel:**

Cumulative Shareholding during theyear

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during theyear	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. Satish Bhogilal Zaveri				
<b>At the beginning of the year</b>	<b>1088660</b>	<b>35.46</b>	<b>1088660</b>	<b>35.46</b>
<b>No transaction ----</b>				

	<b>At the end of the year</b>	<b>1088660</b>	<b>35.46</b>	<b>1088660</b>	<b>35.46</b>
<b>2</b>	Sandip S Zaveri				
	<b>At the beginning of the year</b>	<b>360500</b>	<b>11.74</b>	<b>360500</b>	<b>11.74</b>
	<b>No transaction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>At the end of the year</b>	<b>360500</b>	<b>11.74</b>	<b>360500</b>	<b>11.74</b>
<b>3</b>	Bhanuraj Nagindas Mehta				
	<b>At the beginning of the year</b>	<b>239000</b>	<b>7.79</b>	<b>239000</b>	<b>7.79</b>
	<b>No transaction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>At the end of the year</b>	<b>239000</b>	<b>7.79</b>	<b>239000</b>	<b>7.79</b>

**Note:** No other KMP and directors hold any shares of the company

**f. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	<b>18,699,896</b>	<b>45,891,000</b>	-	<b>64,590,896</b>
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	<b>18,699,896</b>	<b>45,891,000</b>		<b>64,590,896</b>
Change in Indebtedness during the financial year				
* Addition	-	<b>8,000,000</b>	-	<b>8,000,000</b>
* Reduction	<b>(5,564,060)</b>	-	-	<b>(5,564,060)</b>
Net Change	<b>5,564,060</b>	<b>8,000,000</b>	-	<b>2,435,940</b>
Indebtedness at the end of the financial year				
i) Principal Amount	<b>13,135,836</b>	<b>53,891,000</b>	-	
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	<b>13,135,836</b>	<b>53,891,000</b>	-	<b>67,026,836</b>

**g. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD	Total Amount
<b>1</b>	<b>Gross salary</b>	<b>Sandip S. Zaveri</b>	
	<b>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961</b>	<b>189,600 p.a.</b>	<b>189,600 p.a.</b>
	<b>(b) Value of perquisites u/s 17(2)</b>		
	<b>Income-tax Act, 1961</b>	-	-
	<b>(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961</b>	-	-

2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission- as % of profit- others, specify...	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	<b>189,600 p.a.</b>	<b>189,600 p.a.</b>
	<b>Ceiling as per the Act</b>	<b>NIL*</b>	

\* The company has recovered the excess remuneration from managing director.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (FY2014-15)**

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary*	-	77,667	4,09,010	4,86,677
	(a) Salary as per provisions contained in 17(1) of the Income-tax Act, 1961	-	-	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	
2	Stock Option	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission	-	-	-	
	- as % of profit	-	-	-	
	others, specify...	-	-	-	
5	Others, please specify	-	-	-	
	<b>Total</b>	-	<b>77,667</b>	<b>4,09,010</b>	

\* Remuneration is for actual present days (gross salary includes employers' contribution to PF and other statutory deductions.)

**XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty Punishment/[RD Compounding fees imposed	/Authority / NCLT/ COURT]	Appeal made,if any (give Details)
<b>A. COMPANY: NIL</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS: NIL</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS:</b>					
Penalty					
Punishment					
Compounding					

# Annexure E

## Related Party Transactions

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of material contracts or arrangement or transactions at arm's length basis during financial year 2014-15:

(a) Name(s) of the related party and nature of relationship:	(b) Nature of contracts/ arrangements/transactions:	(c) Duration of the contracts/ arrangements/ transactions:	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	(e) Date(s) of approval by the Board, if any:	(f) Amount paid as advances, if any:
CS Specialty Chemical Private Ltd.	Job work of DEMAP ALDEHYDE	Continuous / Ordinary business	Rs. 5,703,200	NA	-
CS Specialty Chemical Private Ltd.	Job work of SOLVENT YELLOW	Continuous / Ordinary business	Rs. 6,512,640NA	NA	-
CS Specialty Chemical Private Ltd.	Sale of 1 KL GL REACTOR	One time	Rs. 348,827	28/01/2015	-
CS Specialty Chemicals Pvt. Ltd.	Sale of 4 SULPHO NAP PRESS CAKE (4SNA), ACETIC ANHYDRED , CAUSTIC SODA LYE, ETHYLENE Private Chemical LtdGLYCOL COMMERCIAL (M.E.G.), SODIUM NITRITE	Continuous / Ordinary business	Rs. 13,062,388	NA	-
CS Performance Chemical Pvt. Ltd.	Sale of 5 KL SS REACTOR	One time	Rs. 280,900	14/05/2015	-
CS Performance Chemical Pvt. Ltd.	Sale of EXHAUST TAF FAN WITH FILTERS	One time	Rs. 25,704	14/05/2015	-
CS Performance Chemical Pvt. Ltd.	Sale of MS GL 3.2 KL REACTOR WITH ASSEMBLY	One time	Rs. 650,000	28/01/2015	-
CS Performance Chemical Pvt. Ltd.	Sale of SUPPLY AIR TAF FAN	One time	Rs. 25,704	14/05/2015	-
CS Specialty Chemicals Pvt. Ltd.	Purchase of DI – Ethyl Meta Amino Phenol	Ordinary business	Rs. 21,88,800	NA	-

**CHEMIESYNTH (VAPI) LIMITED**  
**Balance Sheet as at 31 March, 2015**

Particulars		Note No.	As at 31 March, 2015	As at 31 March, 2014
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	3	30,700,000	30,700,000
	(b) Reserves and surplus	4	2,763,905	6,976,933
			<b>27,936,095</b>	<b>37,676,933</b>
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	5	55,592,000	50,532,000
	(b) Deferred tax liabilities (net)	7	-	-
	(c) Other long-term liabilities	6	5,326,430	9,027,230
			<b>60,918,430</b>	<b>59,559,230</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	8	8,494,836	11,118,896
	(b) Trade payables	9	21,631,769	20,759,180
	(c) Other current liabilities	10	3,284,153	3,141,943
			33,410,758	35,020,019
	<b>TOTAL</b>		<b>122,265,281</b>	<b>132,256,180</b>
<b>B</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	11	100,408,657	103,652,113
	(ii) Intangible assets	12	450,000	450,000
			<b>100,858,657</b>	<b>104,102,113</b>
	(b) Non-current investments	13	35,000	35,000
	(c) Long-term loans and advances	14	3,369,813	2,672,442
			3,404,813	2,707,442
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	15	7,608,894	16,801,396
	(b) Trade receivables	16	8,157,524	3,332,919
	(c) Cash and cash equivalents			
	(d) Short-term loans and advances	17	978,129	3,268,998
	(e) Other current assets	18	1,139,301	1,923,664
		19	117,963	119,648
			18,001,810	25,446,624
	<b>TOTAL</b>		<b>122,265,281</b>	<b>132,256,180</b>

See accompanying notes forming part of the financial statements

1 to 37

As per our report of even date For and on behalf of the Board of Directors

**For Manoj Shah & Co.**  
Chartered Accountants  
Firm Reg. No: 106036W

Sd/-  
**Satish Zaveri**  
Director

Sd/-

**Manoj T.Shah**

Sd/-  
**Sandip Zaveri**  
Director  
Partner  
M.No. 043777

Place : Vapi  
Date : May 29, 2015

Place : Vapi  
Date : May 29, 2015

**CHEMIESYNTH (VAPI) LIMITED**  
**Statement of Profit and Loss for the year ended 31 March, 2015**

Particulars	Note No.	For the year ended 31 March, 2015	For the year ended 31 March, 2014
1 Revenue from operations	20	111,338,044	96,326,363
2 Other income	21	211,453	1,325,353
<b>3 Total revenue (1+2)</b>		<b>111,549,497</b>	<b>97,651,716</b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	22.a	55,988,762	54,829,492
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22.b	6,213,450	(6,402,735)
(c) Employee benefits expense	23	11,834,410	11,163,755
(d) Finance costs	24	2,642,662	2,938,056
(e) Depreciation and amortisation expense	12	2,813,897	2,465,808
(f) Other expenses	25	41,762,774	31,512,254
<b>Total expenses</b>		<b>121,255,955</b>	<b>96,506,630</b>
<b>5 Profit / (Loss) before tax (3 +4)</b>		<b>(9,706,458)</b>	<b>1,145,085</b>
<b>6 Tax expense:</b>			
(a) Current tax expense for current year -		-	-
(b) Deferred tax		-	-
		-	-
<b>7 Profit / (Loss) for the year (5 ± 6)</b>		<b>(9,706,458)</b>	<b>1,145,085</b>
<b>8 Earnings per share (of ' 10/- each):</b>			
(a) Basic		(3.16)	0.37
(b) Diluted		(3.16)	0.37
<b>See accompanying notes forming part of the financial statements As per our report of even date</b>		1 to 37	

**For and on behalf of the Board of Directors**

**For Manoj Shah & Co.**  
Chartered Accountants  
Firm Reg. No: 106036W

Sd/-

**Manoj T.Shah**  
Partner  
M.No. 043777  
Place : Vapi  
Date :May 29, 2015

Sd/-  
**Satish Zaveri**  
Director

Sd/-  
**Sandip Zaveri**  
Director

Place : Vapi  
Date : May 29, 2015

**CHEMIESYNTH (VAPI) LIMITED****Cash Flow Statement for the year ended 31 March, 2015**

	For the year ended 31 March, 2015	For the year ended 31 March, 2014
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit/(Loss) before tax Adjustments for:	(9,706,458)	1,145,085
Depreciation	2,813,897	2,465,808
Interest expenses	2,642,662	2,938,056
Interest income	(182,144)	(194,670)
Profit on sale of fixed assets	(29,309)	(1,130,683)
Operating Profit before Working Capital Changes	(4,461,352)	5,223,596
Changes in:		
Trade Receivables and other current assets	(4,038,557)	(1,386,854)
Inventories	9,192,502	(8,695,903)
Long term loans and advances	(697,371)	250,336
Trade Payables and other current liabilities	1,014,799	6,598,562
<b>CASH GENERATED FROM OPERATIONS</b>	<b>1,010,021</b>	<b>1,989,738</b>
Interest and Finance Charges	(2,642,662)	(2,938,056)
Taxes Paid	-	-
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(1,632,641)</b>	<b>(948,319)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(826,920)	(1,939,012)
Interest income	182,144	194,670
Sale of Fixed Assets	1,251,408	4,594,000
Investments	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>606,632</b>	<b>2,849,658</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Long term borrowings availed / (repaid)	5,060,000	2,705,000
Advance from customer repaid	(3,700,800)	(6,627,714)
Increase/(Decrease) in Working Capital from Bank	(2,624,060)	3,584,968
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>(1,264,860)</b>	<b>(337,746)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + ( C)</b>	<b>(2,290,869)</b>	<b>1,563,593</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT THE COMMENCEMENT OF THE YEAR</b>	<b>3,268,998</b>	<b>1,705,405</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>	<b>978,129</b>	<b>3,268,998</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + ( C)</b>	<b>(2,290,869)</b>	<b>1,563,593</b>

**As per our report of even date****For and on behalf of the Board of Directors****Sd/-  
(DIRECTOR)  
Satish Zaveri****Sd/-  
(DIRECTOR)  
Sandip Zaveri****For Manoj Shah & Co.**CHARTERED ACCOUNTANTS  
Firm Reg. No: 106036W**Sd/-  
MANOJ T. SHAH  
Partner  
M.NO.043777  
PLACE: VAPI  
DATE: May 29, 2015**



**CHEMIESYNTH (VAPI) LIMITED**  
**Notes forming part of the financial statements**  
**Note 3 Share capital**

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares		Number of shares	
(a) Authorised Equity shares of ₹ 10/- each with voting rights	3,250,000	32,500,000	3,250,000	32,500,000
(b) Issued, subscribed and fully paid up Equity shares of ₹ 10/- each with voting rights	30,700,000	3,070,000	30,700,000	30,700,000
<b>Total</b>	<b>3,070,000</b>	<b>30,700,000</b>	<b>3,070,000</b>	<b>30,700,000</b>

Class of shares Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Satish B Zaveri	1,082,960	35.26%	1,082,960	35.26%
Sandip S Zaveri	360,500	11.74%	360,500	11.74%
United Phosphorous Ltd	921,000	30.00%	921,000	30.00%
Bhanurai N Mehta	239,000	7.78%	239,000	7.78%

(ii) Details of shares issued for consideration other than cash:

Particulars	Aggregate number of shares	
	As at 31 March, 2015	As at 31 March, 2014
	Equity shares with voting rights	
(a) Fully paid up pursuant to a contract for consideration other than cash	147,000	147,000
(b) Fully paid up by way of bonus shares	2,107,500	2,107,500

(iii) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note 4 Reserves and surplus**

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Securities premium account Balance as at year end	12,650,000	12,650,000
(b) Revaluation reserve		
Opening balance	1,555,503	1,589,883
Add: Addition on revaluations during the year		
Less: Utilised for set off against depreciation	(34,380)	(34,380)
Written back / other utilisations during the year (give details)		
Closing balance	1,521,123	1,555,503
(c) Cash Subsidy Balance as at year end	1,156,929	1,156,929
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(8,385,499)	(9,530,584)
Add: Profit / (Loss) for the year	(9,706,458)	1,145,085
Closing balance	(18,091,957)	(8,385,499)
<b>Total</b>	<b>(2,763,905)</b>	<b>6,976,933</b>

**Note 5 Long-term borrowings**

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Term loans From banks Secured	1,701,000	4,641,000
	1,701,000	4,641,000
(b) Loans from Directors and members Unsecured	53,891,000	45,891,000
	53,891,000	45,891,000
<b>Total</b>	<b>55,592,000</b>	<b>50,532,000</b>

Notes:

(i) The term loan is secured by:

(a) Equitable mortgage of factory land and building and hypothecation of plant and machinery and other fixed assets of the company

(b) Personal guarantee of directors of the company

**CHEMIESYNTH (VAPI) LIMITED****Notes forming part of the financial statements****Note 6 Other long-term liabilities**

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
(a) Others:		
(i) Advances from customers	5,326,430	9,027,230
<b>Total</b>	<b>5,326,430</b>	<b>9,027,230</b>

**Note 7 Components of Deferred Tax Liability/(Assets) (Net)**

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
<b>Deferred Tax Liability</b>		
1. Differences in WDV of Fixed Assets	17,453,132	16,298,902
<b>Deferred Tax Asstes</b>		
1. Unabsorbed Depreciation/Business Loss	21,271,556	17,325,579
2. Brought forward MAT Credit u/s 115JB	458,618	458,618
<b>Net Deferred Tax Assets</b>	<b>4,277,041</b>	<b>1,485,295</b>
<b>Net Deferred Tax Liability</b>	<b>-</b>	<b>-</b>

**Net Deferred Tax Liability****Notes:**

The Company has not recognised Net Deferred Tax Asset of Rs. 4277041/-

**Note 8 Short-term borrowings**

Particulars	As at 31 March, 2015	As at 31 March,
(a) Loans repayable on demand From banks	8,494,836	11,118,896
<b>Total</b>	<b>8,494,836</b>	<b>11,118,896</b>

**Notes:**

(i) Details of security for the secured short-term borrowings:

Loans repayable on demand from Bank of Baroda, SSI VIE branch, Vapi is secured by first and exclusive charge on inventories including stocks of raw materials, finished goods, work in process, stores and spares, receivables and equitable mortgage on the Land and buildings of the Company.

**Note 9 Trade payables**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Trade payables: Other than Acceptances		
(a) Total outstanding dues of Micro and Small Enterprises	-	-
(b) Total outstanding of other payables	21,631,769	20,759,180
<b>Total</b>	<b>21,631,769</b>	<b>20,759,180</b>

**Notes forming part of the financial statements****Note 10 Other current liabilities**

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Current maturities of long-term debt (Refer Note (i) below) 2,940,000	2,940,000	
(a) Other payables (i) Statutory liabilities	344,153	201,943
<b>Total</b>	<b>3,284,153</b>	<b>3,141,943</b>

Particulars	As at 31 March, 2014	As at 31 March, 2013
(b) Term loans From banks Secured	2,940,000	2,940,000
<b>Total</b>	<b>2,940,000</b>	<b>2,940,000</b>

**CHEMIESYNTH (VAPI) LIMITED**  
Notes forming part of the financial statements  
**NOTE:-11.12 FIXED ASSETS**

SR NO	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		AS AT 01.04.2014 Rs.	ADDITIONS DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2015 (Rs.)	UP TO 31.03.2014 (Rs.)	DURING THE YEAR(Rs.)	RECOUPED	ON REVA-LUATION (Rs.)	AS AT 31.03.2015 (Rs.)	AS AT 31.03.2015 (Rs.)	AS AT 31.03.2014 (Rs.)
	<b>12 Intangible Assets:</b>											
	1 Goodwill	450,000	-	-	450,000	-	-	-	-	-	450,000	450,000
	<b>TOTAL Rs.</b>	450,000	-	-	450,000	-	-	-	-	-	450,000	450,000
	<b>11 Tangible Assets:</b>											
	1 Leasehold Land	1,528,000	-	-	1,528,000	-	-	-	-	-	1,528,000	1,528,000
	2 Buildings	42,201,616	188,126	-	42,389,742	12,091,030	766,172	-	34,380	12,891,582	29,498,160	30,110,586
	3 Plant & Machinery	113,670,748	553,430	2,087,088	112,137,090	43,807,985	1,234,736	864,989	-	44,177,732	67,959,358	69,862,763
	4 Furniture & Fixture &											
	Other Equipments	6,219,070	77,664	-	6,296,734	5,017,918	347,942	-	-	5,365,860	930,874	1,201,152
	5 Vehicles	2,773,220	-	-	2,773,220	2,239,996	90,978	-	-	2,330,974	442,246	533,224
	6 Computers	769,887	7,700	-	777,587	353,499	374,069	-	-	727,568	50,019	416,388
	<b>TOTAL Rs.</b>	167,162,541	826,920	2,087,088	165,902,373	63,510,428	2,813,897	864,989	34,380	65,493,716	100,408,657	103,652,113
	<b>GRAND TOTAL Rs.</b>	167,612,541	826,920	2,087,088	166,352,373	63,510,428	2,813,897	864,989	34,380	65,493,716	100,858,657	104,102,113
	<b>PREVIOUS YEAR TOTAL Rs.</b>	169,978,216	1,939,012	4,754,687	167,162,541	62,301,609	2,465,808	1,291,370	34,380	63,510,428	103,652,113	107,676,607

**Note 13 Non-current investments**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Investments (At cost): <u>Trade, Unquoted:</u>		
(a).National Savings Certificates - VIII Issue (Held in the name of employee of the Company (nominee) and deposited with Government Department)	35,000	35,000
<b>Total - Trade</b>	35,000	35,000
<b>Total</b>	35,000	35,000

**Note 14 Long-term loans and advances**

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Security deposits Secured, considered good Unsecured, considered good	1,647,714	1,647,714
(b) Loans and advances to employees Unsecured, considered good	909,458	569,258
© Advance income tax (net of provisions ' Nil (As at 31 March, 2014 ' Nil) - Unsecured, considered good	812,641	455,470
<b>Total</b>	3,369,813	2,672,442

**Notes forming part of the financial statements****Note 15 Inventories**

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Raw materials	1,257,913	4,178,764
(b) Work-in-progress	5,426,475	6,623,100
© Finished goods (other than those acquired for trading)	135	5,016,960
(d) Stores and spares	924,371	982,572
<b>Total</b>	<b>7,608,894</b>	<b>16,801,396</b>

Note: Details of inventory of work-in-progress

Particulars	As at 31 March, 2015	As at 31 March, 2014
4 SNA	934,500	1,869,000
5 NI	-	1,050,000
2:6 Di Chloro 4 Amino Phenol	30,450	-
CAR-III	638,925	-
DFMAP Aldehyde	-	1,130,000
Other items	3,822,600	2,574,000
	5,426,475	6,623,000

#### Note 16 Trade receivables

Particulars	As at 31 March, 2015	As at 31 March, 2014
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
Less: Provision for doubtful trade receivables	-	-
	-	-
Other Trade receivables		
Unsecured, considered good	8,157,524	3,332,919
	8,157,524	3,332,919
<b>Total</b>	<b>8,157,524</b>	<b>3,332,919</b>

#### Notes forming part of the financial statements

#### Note 17 Cash and cash equivalents

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Cash on hand	29,841	21,965
(b) Balances with banks		
(i) In current accounts	704,288	2,847,033
(iii) In deposit accounts (Refer Note (i) below)	244,000	400,000
<b>Total</b>	<b>978,129</b>	<b>3,268,998</b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	978,129	3,268,998

#### Note 18 Short-term loans and advances

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	743,439	1,557,185
(ii) Service Tax credit receivable	282,930	172,949
(iii) Excise refund receivable	64,458	64,458
(b) Advance to suppliers	48,474	84,704
<b>Total</b>	<b>1,139,301</b>	<b>1,923,664</b>

**Note 19 Other current assets**

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Accruals		
(i) Interest accrued on deposits	117,963	119,648
<b>Total</b>	<b>117,963</b>	<b>119,648</b>

**Notes forming part of the financial statements****Note 20 Revenue from operations**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
(a) Sale of products (Refer Note (i) below)	85,841,811	81,536,807
(b) Job Work charges	24,504,490	13,169,115
© Other operating revenues (Refer Note (ii) below)	991,743	1,620,441
<b>Total</b>	<b>111,338,044</b>	<b>96,326,363</b>

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
(I) Sale of products comprises:		
Manufactured goods		
4 SNA	18,909,200	23,290,301
5 NI	3,057,111	7,353,600
CAR-III	-	2,164,100
2:6 Di Chloro 4 Amino Phenol	38,618,000	22,575,000
DEMAP Aldehyde	23,352,500	26,153,806
2:4 DCBS	1,905,000	-
<b>Total - Sale of manufactured goods</b>	<b>85,841,811</b>	<b>81,536,807</b>
<b>Total - Sale of products</b>	<b>85,841,811</b>	<b>81,536,807</b>
(ii) Other operating revenues:		
Sale of waste products	487,347	665,097
Sale of scrap	504,396	955,344
<b>Total - Other operating revenues</b>	<b>991,743</b>	<b>1,620,441</b>



**Note 21 Other income**

<b>Particulars</b>	<b>For the year ended 31 March, 2015</b>	<b>For the year ended 31 March, 2014</b>
(a) Interest income (Refer Note (i) below)	182,144	194,670
(b) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	29,309	1,130,683
<b>Total</b>	<b>211,453</b>	<b>1,325,353</b>

**Note**

<b>Particulars</b>	<b>For the year ended 31 March, 2015</b>	<b>For the year ended 31 March, 2014</b>
(i) Interest income comprises: Interest from banks on: deposits	171,093	153,189
Interest on income tax refund	11,051	41,481
<b>Total - Interest income</b>	<b>182,144</b>	<b>194,670</b>

**Note**

<b>Particulars</b>	<b>For the year ended 31 March, 2015</b>	<b>For the year ended 31 March, 2014</b>
(ii) Other non-operating income comprises: Profit on sale of assets	29,309	1,130,683
<b>Total - Other non-operating income</b>	<b>29,309</b>	<b>1,130,683</b>

**CHEMIESYNTH (VAPI) LIMITED**  
**Notes forming part of the financial statements**

**Note 22.a Cost of materials consumed**

<b>Particulars</b>	<b>For the year ended 31 March, 2015</b>	<b>For the year ended 31 March, 2014</b>
Opening stock	4,178,764	1,927,512
Add: Purchases	53,067,911	57,080,744
	57,246,675	59,008,256
Less: Closing stock	(1,257,913)	(4,178,764)
<b>Cost of material consumed</b>	<b>55,988,762</b>	<b>54,829,492</b>
Material consumed comprises:		
Ace Napthene	2,429,982	2,772,243
Fast Red RL Base	-	2,983,000
Caustic Soda Lye	2,804,311	2,874,023
2:6 Di Chloro Phenol	10,484,250	5,012,500
Potassium Permanganate	8,135,153	8,965,746
Di Ethyl Meta Amino Phenol	13,696,300	14,617,000
Other items	18,438,766	17,604,980
<b>Total</b>	<b>55,988,762</b>	<b>54,829,492</b>

**Note 22.b Changes in inventories of finished goods,  
work-in-progress and stock-in-trade**

<b>Particulars</b>	<b>For the year ended 31 March, 2015</b>	<b>For the year ended 31 March, 2014'</b>
<u>Inventories at the end of the year:</u>		
Finished goods	135	5,016,960
Work-in-progress	5,426,475	6,623,100
	5,426,610	11,640,060
<u>Inventories at the beginning of the year:</u>		
Finished goods	5,016,960	385,409
Work-in-progress	6,623,100	4,851,916
	11,640,060	5,237,325
<b>Net (increase) / decrease</b>	<b>6,213,450</b>	<b>(6,402,735)</b>

**Note 23 Employee benefits expense**

<b>Particulars</b>	<b>For the year ended 31 March, 2015</b>	<b>For the year ended 31 March, 2014</b>
Salaries and wages	10,094,860	9,541,364
Contributions to provident and other funds	1,409,457	1,228,660
Gratuity	-	117,995
Staff welfare expenses	330,093	275,736
<b>Total</b>	<b>11,834,410</b>	<b>11,163,755</b>

**Note 24 Finance costs**

<b>Particulars</b>	<b>For the year ended 31 March, 2015</b>	<b>For the year ended 31 March, 2014</b>
(a) Interest expense on:		
(i) Borrowings	2,642,662	2,938,056
<b>Total</b>	<b>2,642,662</b>	<b>2,938,056</b>

**Note 25 Other expenses**

<b>Particulars</b>	<b>For the year ended 31 March, 2015</b>	<b>For the year ended 31 March, 2014</b>
Consumption of stores and spare parts	2,428,034	1,077,395
Consumption of packing materials	738,795	732,294
Job work charges	492,831	938,650
Power and fuel	15,487,472	12,229,013
Water charges	1,316,448	1,095,897
Repairs and maintenance - Buildings	190,401	68,068
Repairs and maintenance - Machinery	1,471,738	941,520
Repairs and maintenance - Others	110,445	73,071
Insurance	277,042	332,929
Rates and taxes	123,515	597,642
Communication	222,605	210,417
Travelling and conveyance	349,778	428,649
Printing and stationery	108,132	151,770
Freight and forwarding	736,600	780,136
Legal and professional fees	752,431	572,028
Payments to auditors (Refer Note (i) below)	40,000	25,000
Service charges	157,214	87,690
Contract labour charges	6,040,146	4,947,461
Bank charges	231,332	95,413
Effluent treatment and disposal charges	5,456,797	2,754,366
Miscellaneous expenses	5,031,018	3,372,845
<b>Total</b>	<b>41,762,774</b>	<b>31,512,254</b>

**Notes:**

<b>Particulars</b>	<b>For the year ended 31 March, 2015</b>	<b>For the year ended 31 March, 2014</b>
(I) Payments to the auditors comprises (net of service tax input credit, where applicable): As auditors - statutory audit	40,000	25,000
<b>Total</b>	<b>40,000</b>	<b>25,000</b>

## **CHEMIESYNTH (VAPI) LIMITED**

### **Notes forming part of the financial statements**

#### **CORPORATE INFORMATION**

The main business activities of Chemiesynth (Vapi) Limited is manufacturing and processing of Dye Intermediates and Chemicals.

#### **BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention, except for certain tangible assets which are being carried at revalued amounts. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the Accounting Standards notified under section 211(3C) [Companies (Accounting Standards), 2006, as amended] and other relevant provisions of the Companies Act, 2013.

#### **SIGNIFICANT ACCOUNTING POLICIES**

##### **a) FIXED ASSETS**

1. Tangible assets are stated at cost, adjusted by revaluation at current replacement values wherever applicable.
2. Depreciation on tangible assets is calculated on a straight-line basis as per the rates prescribed under Schedule II of the Companies Act, 2013.
3. The Company has provided depreciation on revalued amounts of fixed assets as per the rates prescribed under Schedule II of the Companies Act, 2013
4. The Company has provided depreciation on additions to assets during the year on prorata basis with reference to the month of addition..

##### **b) INVENTORIES**

Raw Materials are valued at cost, Work-in-process is valued at estimated cost, Finished Goods are valued at estimated cost or market value whichever is lower and Packing Materials, Fuel & Stores & Spares are valued at cost.

##### **c) EXCISE DUTY**

Excise duty is accounted as and when the same is paid on the dispatch of the goods from factory. No provision is made for excise duty in respect of finished products lying in the factory, as the same has no impact on the profit of the year.

##### **d) RETIREMENT BENEFITS**

Retirement benefits such as Gratuity, Leave encashment are accounted on cash basis.

##### **e) PURCHASE AND SALE**

Purchase of raw materials include processing charges paid and is net of resale of raw material. Sales include job charges received.

##### **f) TAXATION**

Income Tax comprises of Current Tax and Deferred Tax. The provision for Current Income Tax is made on the assessable income at the rate applicable to relevant Assessment Year. Deferred Tax Asset and Deferred Tax liability are calculated by applying tax rate and tax laws that have been enacted by the Balance Sheet Date.

**CHEMIESYNTH (VAPI) LIMITED**  
**Notes forming part of the financial statements**

- 26 Contingent Liabilities not provided for in respect of :  
 Letter of Guarantees issued by the Bank Rs. 10,000/- (Rs. 10,000/-)
- 27 The depreciation provided during the year includes Rs. 0.34 Lacs on the increased gross value of Buildings arising on revaluation and the same is recouped from Revaluation Reserve.
- 28 The Balances of Debtors, Creditors & Loans & Advances are subject to confirmations.
- 29 The company has not received any intimation from suppliers regarding their status under the Micro, Small & Medium Enterprise Development Act,2006 and hence disclosure requirements in the this regard could not be provided.
- 30 The Company's primary business segment is manufacturing of Dyes & Intermediates. Based on guiding principles given in Accounting Standard on " Segment Reporting" AS-17 issued by the Institute of Chartered Accountants of India. this activity falls with in a single primary business segment and accordingly the disclosure requirements of AS-17 in this regard are not applicable.

**31 Related party Disclosures**

During the year the company entered into transaction with the related parties. Those transactions along with related balances as at 31st March,2015 and for the year then ended are presented in the following table.

a). Related parties where control exists.	2014-15	2013-14
<b>1). Joint venture</b>	Nil	Nil
<b><u>2). Associates</u></b>		
A). CS Speciality chemical Pvt Ltd		
Sales of goods/Processing charges	25,627,055	23,908,114
Purchase of goods	2,188,800	109,782
Outstanding balance as at the year end receivable (Net)	550,511	533,411
<b>3). Key Management Personnel and their relatives</b>		
Mr.Satish B Zaveri		
Mr.Sandeep S. Zaveri (Son)		
Mrs.Kamal S Zaveri (Spouse)		
Nature of transactions		
Salary paid to Director(including contribution to PF)		
Mr.Sandeep S. Zaveri	168,504	168,504
Outstanding balance as at year end		

**32 Payment to Auditors :**

	<b>2014-2015</b>	<b>2013-2014</b>
	<b>Rs.</b>	<b>Rs.</b>
a) For Statutory Audit Fees	35,000	20,000
b) For Tax Audit Fees	<u>5,000</u>	<u>5,000</u>
	40,000	25,000

33	<b>Earnings per Share:</b>			
	Profit/(Loss) after taxation		(9,706,458)	1,145,085
	Number of Equity Shares		3,070,000	3,070,000
	Nominal Value per Share (Rs.)		10	10
	Earnings per share		(3.16)	0.37
34	<b>VALUES &amp; PERCENTAGE OF IMPORTED AND INDIGENOUS RAW MATERIAL CONSUMPTION</b>			
		Value Rs.	Percentage	
	1. Imported	5,071,182 (3,508,496)	9.06% (6.40)%	
	2. Indigenus	50,917,580 (51,320,997)	90.94% (93.60)%	
	Total	55,988,762 (54,829,492)	100% (100)%	
35	C.I.F Value of Imports	4,419,600 (4,043,616)		
36	Export at FOB Value	3,039,862 (7,312,391)		

37 Figures in brackets are in respect of previous year. Figures of previous year have been restated, regrouped and rearranged wherever necessary.

**For and on behalf of the Board of Directors**

Sd/-

**Satish Zaveri**  
Director

Sd/-

**Sandip Zaveri**  
Director

Place : Vapi  
Date : May 29, 2015

Place : Vapi  
Date : May 29, 2015

## **INDEPENDENT AUDITORS' REPORT**

**To,  
THE MEMBERS OF  
CHEMIESYNTH (VAPI) LIMITED,**

### **REPORT ON THE FINANCIAL STATEMENTS:**

We have audited the accompanying financial statements of **CHEMIESYNTH (VAPI) LIMITED**, ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 material misstatement, whether due to fraud or error.

### **AUDITORS' RESPONSIBILITY :**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **OPINION:**

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 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 31<sup>st</sup> March, 2015, and its Loss and its Cash Flows for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:**

a) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

ii. 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.

iii. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the Books of Accounts.

iv. 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.

v. On the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.

vi. 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) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us:

vii. The Company does not have any pending litigations pursuant to which there is no impact on its financial position, which needs to be disclosed in its financial statements;

a) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

b) There were no amounts required to be transferred to Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Act and the rules made thereunder.

**For MANOJ SHAH & CO.  
CHARTERED ACCOUNTANTS  
Firm Reg.No.106036W**

**Sd/-**

**(MANOJ T.SHAH)**

**PARTNER**

**M.No. 043777**

**Place : Vapi.**

**Date : 29.05.2015**

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

**(REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE)**

i. In respect of The Company's fixed assets;

a) The Company has maintained proper records showing particulars, including quantitative details and situation of the fixed assets.

b) As explained to us, some of the Fixed Assets, according to the practice of the company, were physically verified by the Management at reasonable intervals, in accordance with a programme of verification, which in our opinion, is reasonable, looking to the size of the company and the nature of its business. We are informed that no material discrepancies were noticed on such verification.

In respect of its inventories;



- a) As explained to us, the inventories, other than materials in transit & materials lying with third parties, were physically verified by the Management at reasonable intervals during the year.
- b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventories and no material discrepancies were noticed on physical verification.
- i. According to information & explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, requirement of clauses (iii,a) and (iii,b) of paragraph 3 of the order are not applicable.
- ii. In our opinion and according to the information and explanations given to us there exists an adequate internal control system commensurate with the size of the company and the nature of its business with regard to the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our Audit, we have not observed any major weaknesses in such Internal Control System.
- iii. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits in terms of the provisions of the Section 73 and 76, or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended during the year and no order under the aforesaid sections has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal in this regard in respect of the Company.
- iv. As explained to us, the Central Government has not prescribed the maintenance of Cost Records under sub-section (1) of section 148 of the Companies Act, 2013 for the Company's products.
- v. According to the information and explanations given to us in respect of statutory dues;
- a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b) There were no undisputed statutory dues in arrears as at **31<sup>st</sup> March, 2015** for a period of more than six months from the date they become payable.
- c) In our opinion and according to information and explanations given to us, there were no amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder within the prescribed time.
- vi. The Company has accumulated losses as at **31<sup>st</sup> March, 2015**. It has incurred cash losses in the financial year ended on that date. However in the immediately preceding financial year the Company had not incurred cash losses.
- vii. Based on our audit procedures and on the information and explanations given by the management we are of the opinion that the Company has not defaulted in the repayment of dues to Banks as at the Balance Sheet date. The Company has not obtained any loan from financial institutions and debenture holders.
- viii. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- ix. The Company has not taken any Term Loans during the year.
- x. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Place : Vapi.  
Date : 29.05.2015

For **MANOJ SHAH & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Reg.No.106036W  
Sd/-  
(**MANOJ T.SHAH**)  
**PARTNER. M.No. 043777**

## SECRETARIAL AUDIT REPORT

### Form No. MR-3

For the financial year ended on 31st March, 2015.

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

To,

The Members,

#### **CHEMIESYNTH (VAPI) LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Chemiesynth (Vapi) Limited** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Chemiesynth (Vapi) Limited, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers and minute books as mentioned in **Annexure I**, Forms and returns filed and other records maintained by the Company, for the year ended on 31<sup>st</sup> March, 2015 according to the applicable provisions, if any, of:

- I. The Companies Act, 1956 and the Companies Act, 2013 (**the Act**) and the Rules made there under, as applicable.
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under.
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) were **Not** applicable during the period as informed by the management and as per the SEBI circular dated 29th December, 2008 pertains to exit policy for De-recognized/Non-operational Stock exchanges, the OTCEI (Over The Counter Exchange of India) has decided to go for voluntary surrender of its license and informed the company to get listed with any other Regional Stock Exchange or to Move to the Dissemination Board.
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
- VI. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for Compliances under other applicable Act, Laws and Regulations to the Company.

We report that, since the Secretarial Standard-1 "Meeting of Board of Directors" and Secretarial Standard-2 "General Meetings" are effective from 1<sup>st</sup> July, 2015, compliance are not required for the year ended 31<sup>st</sup> March, 2015 as per notification dated 23<sup>rd</sup> April, 2015 issued by the Institute of Company Secretaries of India. We further report that the Company was not required to comply with the applicable clauses of the Listing Agreement entered into by the Company with the OTCEI as mentioned in **Clause V above**.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, and Guidelines, mentioned above subject to the following observations:

1. *The appointment of Internal Auditor for the Financial Year 2014 – 2015 as required under section 138 Companies Act, 2013 was not been made by the Company.*
2. *The company has appointed Managing Director with effect from 1st October, 2014 and Chief Financial Officer with effect from 28th January, 2015 which are during the financial period under review. However the appointment of Company Secretary has been made with effect from 27th April, 2015 which is after the financial period under review.*
3. *The company has made borrowing from directors during the financial period under review, which was exceed the limit prescribed under section 180(1)© of the Companies Act, 201, and form MGT-14 has not been filed by a Company as required under section 179 and 180 of the companies Act, 2013.*
4. *During the period under review the Company has recovered the excess remuneration paid to Managing Director as prescribed under section 197 of the companies Act, 2013 as on the date of this report.*

**We further report that:**

The Board of Directors of the Company is duly constituted, however the proper balance of Executive Directors, Non-Executive Directors and Independent Directors was compiled at the end of the year. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has;

% made application to Direct Listing of its securities with Bombay Stock Exchange as per SEBI circular dated 29th December, 2008 pertains to exit policy for De-recognized/Non-operational Stock exchanges and as on the date of this report the company has received listing approval from Bombay Stock Exchange.

Date: 25th August, 2015

Place: Mumbai

**For HS Associates  
Company Secretaries  
Sd/-**

**Nitin Sarfare, Partner**

**ACS No.: 36769**

**CP No.: 13729**

This report is to be read with our letter which is annexed as **Annexure II** and forms an integral part of this report.

**Annexure – II**

To,

The Members,

**Chemiesynth (Vapi) Limited.**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 25th August, 2015.

Place: Mumbai

**For HS Associates  
Company Secretaries  
Sd/-**

**Nitin Sarfare, Partner**

**ACS No.: 36769**

**CP No.: 13729**

**Annexure – I**

**BOOKS, PAPERS AND MINUTE BOOKS MAINTAINED BY THE COMPANY**

1. Book containing the Minutes of Board Meeting, General Meeting and Committee Meeting.
2. Book of accounts.
3. Register of Members.
4. Register of index of members.
5. Register of Transfer.
6. Register of Directors and Key managerial personnel and their shareholding.
7. Register of Charges.
8. Register of investments or loans made, guarantee or security provided.
9. Register of particulars of contracts.
10. Attendance Register.

Date: 25th August, 2015

Place: Mumbai

**For HS Associates  
Company Secretaries**

**Sd/-**

**Nitin Sarfare, Partner**

**ACS No.: 36769**

**CP No.: 13729**



# CHEMIESYNTH (VAPI) LIMITED

Reg. Off.: Plot No 27, GIDC Vapi, Dist. Valsad, Gujarat, India.

Phone No. +91 260 2432885 Fax No. +91 260 2432036

Web: [www.chemiesynth.com](http://www.chemiesynth.com) Email: [corporate@chemiesynth.com](mailto:corporate@chemiesynth.com)

CIN: L24110GJ1986PLC008634

## ASSENT / DISSENT FORM FOR VOTING ON AGM RESOLUTIONS

1. Name(s) & Registered Address of the sole / first named Member:

2. Name(s) of the Joint-Holder(s), if any:

3. i) Registered Folio No.:

ii) DP ID No. & Client ID No. :

(Applicable for Members holding shares in dematerialized form)

4. Number of Shares held:

I/We hereby exercise my / our vote in respect of the following resolutions to be passed for the business stated in the Notice of the Twenty Ninth Annual General Meeting dated September 28, 2015, by conveying my / our assent / dissent to the resolutions by placing (") mark in the appropriate box below:

Sr.No.	Resolution	No. of Shares	I/We assent to Resolution for	I/We dissent to the Resolution on(Against)
Ordinary Business:				
1.	Adoption of Financial Statements for the financial year ended March 31, 2015 and Reports of Board of Directors and Auditors thereon			
2.	To appoint a director in place of Mr. Bhanuraj N. Mehta (DIN: 00158885), liable to retire by rotation in term of section 152(6) of the Companies Act, 2013 and being eligible, seeks reappointment			
3.	Appointment of M/s. Manoj Shah & Co., Chartered Accountants, as Statutory auditors and fix their remuneration			
Special Business:				
4.	Appointment of Mr. Minesh Jayshukhlal Shah as Independent Director of the company for term of 5 years w.e.f 01/11/2014			
5.	Appointment of Mr. Rushabh Mehta as Independent Director of the company for term of 5 years w.e.f 01/11/2014			
6.	Appointment of Mrs. Purvi Kalpesh Gandhi as Independent Director of the company for term of 5 years w.e.f 01/11/2014			

Date:

Place:

Signature of Shareholder  
/Authorised

Representative

**NB:** Please read the instructions printed overleaf carefully before completing this form

## Instructions:

### General Instructions:

1. This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility, to enable them to send their assent or dissent by post.
2. A Member can opt for only one mode of voting i.e either by post or through e-voting. If a Member casts votes by both modes, then voting done through a valid physical ballot form shall prevail and e-voting of that Member shall be treated as invalid.
3. For detailed instructions on e-voting, please refer to the notes appended to the Annual General Meeting Notice.
4. The Scrutiniser will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.

### Process and Manner for Members opting to vote by using the Physical Ballot Form:

1. Please complete and sign the Ballot Form and send it so as to reach the Scrutiniser appointed by the Board of Directors of the Company, Mr. Nitin Sarfare, Partner of M/s. HS Associates, Company Secretaries, 206, 2nd Floor, Tantia & Jogani Industrial premises, Sitaram Mills Compound, J. L. Boricha Marg, Opp. Lodha Exelus, Lower Parel [E], Mumbai - 400 011, not later than the close of the working hours (5.00 pm) on 26th September, 2014. Ballot Forms received after 26 September, 2014 will be strictly treated as if the reply from the members has not been received.
2. The form should be signed by the Member as per the specimen signature registered with the Company / Depository Participants. In case of joint holding, the form should be completed and signed by the first named member and in his / her absence, by the next named joint holder. There will be one Form for every Folio / Client ID irrespective of the number of joint holders. A Power of Attorney (POA) holder may vote on behalf of a member, mentioning the registration number of the POA or enclosing an attested copy of the POA. Exercise of vote is not permitted through proxy.
3. For shares held by Companies, Bodies Corporate, Trusts, Societies, etc the duly completed Form should be accompanied by a certified true copy of the board Resolution / authorization together with attested specimen signature(s) of the duly authorized signatory(ies).
4. Votes should be cast in case of each resolution, either in favour or against by putting the tick ("") mark in the column provided for assent / dissent. Members may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed the member's total shareholding. If the shareholders does not indicate either "FOR" or "AGAINST" in case of any resolution, it will be treated as "ABSTAIN" for that resolution and the shares held will not be counted under either head.
5. The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on 21 September, 2015 ("Cut off Date") as per the Register of Members of the Company and as informed to the Company by the Depositories in case of Beneficial owners.
6. A Member may request for a duplicate Ballot form, if so required. However the duly filled in and signed duplicate form should reach the Scrutiniser not later than the date specified at Sr. No.1 above.
7. Unsigned, incomplete, improperly or incorrectly tick marked Ballot forms will be rejected. A form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutiniser to identify either the member or the number of votes or as to whether the votes are in favour or against or if the signature cannot be verified. The Scrutiniser's decision on the validity of a Ballot will be final.
8. Members are requested not to send any other paper along with the Ballot Form in the envelope containing the ballot form as all such envelopes will be sent to the Scrutiniser and any other paper found in such envelope would be destroyed by him. They are also requested not to write anything on the ballot form except giving their assent or dissent and putting their signature.
11. Members may address any query to Mr. Bhupendra N. Hatkar, Company Secretary, at the Registered office of the Company, Tel. No. 0260-2401327 or by email at [bhupenchemiesynth@gmail.com](mailto:bhupenchemiesynth@gmail.com).

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# CHEMIESYNTH (VAPI) LIMITED

Reg. Off.: Plot No 27, GIDC Vapi, Dist. Valsad, Gujarat, India.

Phone No. +91 260 2432885 Fax No. +91 260 2432036

Web: [www.chemiesynth.com](http://www.chemiesynth.com) Email: [corporate@chemiesynth.com](mailto:corporate@chemiesynth.com)

CIN: L24110GJ1986PLC008634

(Pursuant to Section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014).

## Proxy Form

I/We..... Of .....  
 ..... being a Member/Members of the above named Company,  
 hereby appoint Mr./Ms. ....  
 of..... or failing him/her Mr./Ms. ....  
 ..... of ..... as  
 my/our Proxy to attend and vote for me/us on my/our behalf at the 29<sup>th</sup> Annual General Meeting of the  
 Company, to be held on 28<sup>th</sup> day of September, 2015 at 11:30 A.M. and at any adjournment thereof.

\* I wish my above Proxy to vote in the manner as indicated in the box below:

Sr.No	Resolution	For	Against
1	Adoption of Financial Statements for the financial year ended March 31, 2015 and Reports of Board of Directors and Auditors thereon		
2	Appointment of Director in place of Mr. Bhanuraj N. Mehta (DIN: 00158885), liable to retire by rotation in term of section 152(6) of the Companies Act, and being eligible, seeks reappointment		
3	Appointment of M/s. Manoj Shah & Co., Chartered Accountants, as Statutory auditors and fix their remuneration		
4	Appointment of Mr. Minesh Jayshukhlal Shah as Independent Director of the company for term of 5 years w.e.f 01/11/2014		
5	Appointment of Mr. Rushabh Mehta as Independent Director of the company for term of 5 years w.e.f 01/11/2014		
6	Appointment of Mrs. Purvi Kalpesh Gandhi as Independent Director of the company for term of 5 years w.e.f 01/11/2014		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

Signature

Affix Revenue  
Stamp not  
less than  
Re.1/-

Name: .....

Address: ..... Folio No./ DPID. ....

..... Client ID No. ....

..... No. of Shares. ....

Notes: 1. The Proxy, to be effective, should be deposited at the Registered Office of the Company at Plot No. 27, GIDC, Vapi 396 195. not later than FORTY-EIGHT HOURS before the commencement of the aforesaid meeting.

2. A Proxy need not be a Member of the Company.

\*3. This is only optional. Please put a 'X' in the appropriate box against the resolutions. If you leave the 'FOR' or 'AGAINST' box blank against the resolution, your Proxy will be entitled to vote in the manner as he/she thinks appropriate. Should you so desire, you may also appoint the Chairman of the Company as your Proxy, who shall carry out your mandate as indicated above.

4. Attendance for the Annual General Meeting can be recorded using the attendance slip of Annual General Meeting.

# AGM Map Route

