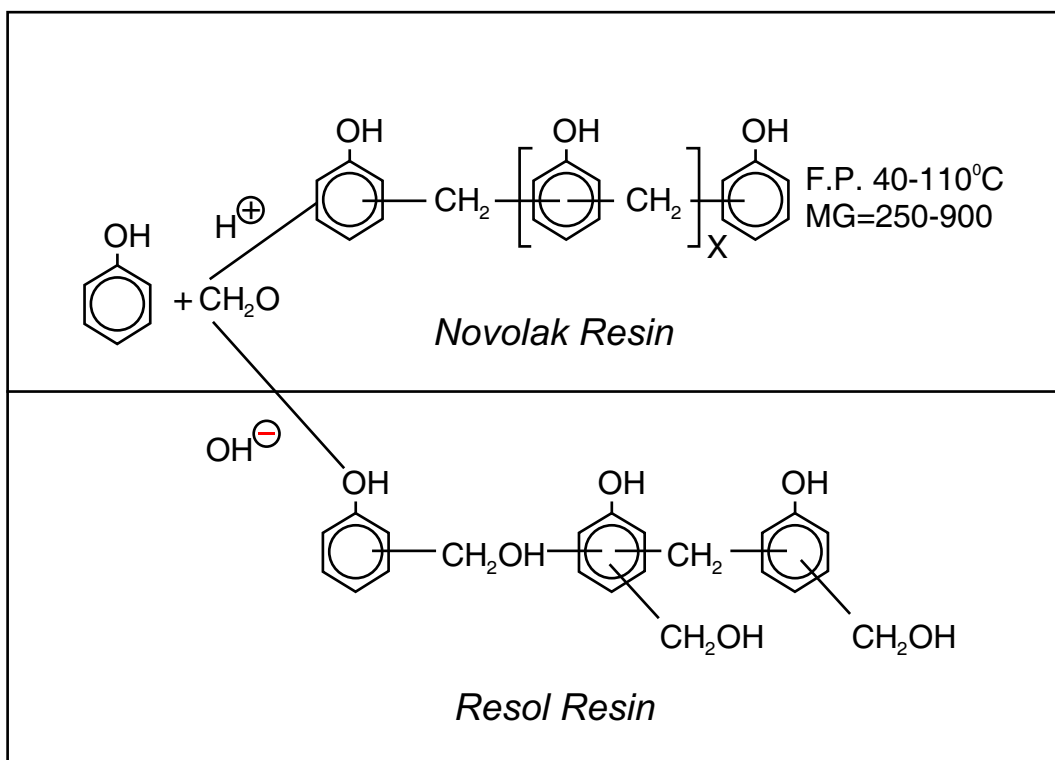


# Annual Report 2015-2016



**Sreechem Resins Limited**



# Sreechem Resins Limited

## BOARD OF DIRECTORS :

Sri S. N. Kabra	- Managing Director
Sri Binod Sharma	- Joint Managing Director
Sri B.M. Banerjee	- Director
Sri Vikram Kabra	- Director
Sri S. K. Joshi	- Non Exe. Independent Director
Sri Vibhor Sharma	- Director
Sri Sanjay Bansal	- Non Exe. Independent Director
Sri Uttam Jhavar	- Non Exe. Independent Director
Smt. Rajee Sharma	- Woman Director

## AUDITORS :

R. C. Jhaver & Co.  
Chartered Accountants

## BANKERS :

Allahabad Bank  
Red Cross Place Branch  
Kolkata - 700 001.

## SHARE TRANSFER AGENTS :

MCS Shares Transfer Agent Ltd.  
12/1/5, Manoharpukur Road  
Kolkata - 700 026

## REGISTERED OFFICE :

Vill. : Jhagarpur  
Post : Rajgangpur - 770 017  
(Orissa)

## WORKS :

Unit-I Vill. : Jhagarpur  
Post : Rajgangpur  
Orissa  
Unit-II Vill. : Durramura  
Post : Raigarh  
(C.G.)

## CORPORATE OFFICE :

23A, Netaji Subhash Road  
11th Floor, Room No. - 11  
Kolkata - 700 001  
West Bengal

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**Sreechem Resins Ltd.**

## **NOTICE OF THE 28<sup>th</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the members of the company will be held at the Registered Office of the Company at 10.00 A.M. on Friday the 30<sup>th</sup> day of September, 2016 to transact the following business :

### **ORDINARY BUSINESS:**

- 1) "To receive, consider and adopt the Financial Statements for the year ended 31<sup>st</sup> March, 2016, the Reports of the Directors and Auditors thereon".
- 2) A) To appoint a Director in place of Sri Uttam Jhawar (DIN No. 00631065), who retires by rotation and being eligible, offers himself for re- appointment.  
B) To appoint a Director in place of Sri Sanjay Bansal (DIN No. 00142576), who retires by rotation and being eligible, offers himself for re- appointment.
- 3) To ratify the appointment of Messrs R. C. Jhawer & Co., Statutory Auditors, who were appointed at the AGM held on 30th September, 2015 for a period of five years up to the conclusion of 32nd AGM. To consider and if thought fit to pass with or without modifications, the following resolution as an **Ordinary Resolution**.

**"RESOLVED THAT** pursuant to Section 139, 142 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (the rules), (including any statutory modification(s) or enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Audit Committee, the appointment of Messrs R.C. Jhawer & Co., Chartered Accountants, Kolkata (ICAI Firm Registration Number – 310068E), the retiring Auditors of the Company, be and are hereby confirmed and ratified as Statutory Auditors of the company for financial year 2016-2017 for auditing the accounts of the Company, and the Board of Directors be and are hereby authorized to fix their remuneration plus traveling expenses and other out of pocket expenses incurred by them in connection with statutory audit “.

### **SPECIAL BUSINESS:**

- 4) A) To consider and if thought fit to pass with or without modification the following Resolution as a **Special Resolution**.

**"RESOLVED THAT** in modification of the earlier Resolution passed in the A.G.M. on 29<sup>th</sup> September 2010, the company hereby approve and rectify the appointment and payment of remunerations and perquisites of Sri S.N. Kabra (DIN No. 00556947) as Managing Director as per the following terms & conditions with retrospective effect from the end of A.G.M. held on 30<sup>th</sup> September 2015 for a further period of five years.

- a) **Salary: Rs. 50000/- per month**

#### **PERQUISITES**

In addition to salary, the following perquisites are allowed, restricted to an amount equal to the annual salary unless the context otherwise requires. Perquisites are classified into two categories 'A' and 'B' as follows.

#### **Category I**

- i) Housing:

The expenditure incurred by the company on hiring furnished accommodation for the Managing Director / Joint Managing Director shall be subject to the following ceiling:

- a) If rented, rent not exceeding 50% of Salary will be paid by the company.
- b) If owned by the company, fully furnished accommodation will be provided by the company.

- c) **Explanation:**



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**Sreechem Resins Ltd.**

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The expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules 1962. Value of all these facilities shall however be subject to a ceiling of 40% of the salary of the Managing Director / Joint Managing Director.

- ii) Medical Reimbursement: Expenses incurred for self and family, subject to the ceiling on one month's salary per year or three months salary over a period of three years.
- iii) Leave Travel Concession: For self family once in a year in accordance with the rules specified by the company.
- iv) Club Fees: Fees of Clubs subject to a maximum of two clubs.
- v) Personal Accident Insurance: Premium not to exceed Rs. 2500/- per annum
- vi) Other Benefits: Such other benefits / facilities as may be applicable to other Senior Executives of the Company from time to time in accordance with the Company's practice and rules.

**Explanation:**

For the purpose of category, a family means the spouse, the dependent children and dependent parents of the Managing Director / Joint Managing Director

**Category II**

Provision of car to and from Residence. Use of car for Company's business and telephone at residence will not be considered as perquisites.

- B) "RESOLVED THAT in modification of the earlier Resolution passed in the A.G.M. on 29<sup>th</sup> September 2010, the company hereby approve and rectify the appointment and payment of remunerations and perquisites of Sri Binod Sharma (DIN No. 00557039) as Jt. Managing Director as per the following terms & conditions with retrospective effect from the end of A.G.M. held on 30<sup>th</sup> September 2015 for a further period of five years.

**a) Salary: Rs. 50000/- per month****PERQUISITES**

In addition to salary, the following perquisites are allowed, restricted to an amount equal to the annual salary unless the context otherwise requires. Perquisites are classified into two categories 'A' and 'B' as follows.

**Category I**

- i) Housing:

The expenditure incurred by the company on hiring furnished accommodation for the Managing Director / Joint Managing Director shall be subject to the following ceiling:

- a) If rented, rent not exceeding 50% of Salary will be paid by the company.
- b) If owned by the company, fully furnished accommodation will be provided by the company.

**c) Explanation:**

The expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules 1962. Value of all these facilities shall however be subject to a ceiling of 40% of the salary of the Managing Director / Joint Managing Director.

- ii) Medical Reimbursement: Expenses incurred for self and family, subject to the ceiling on one month's salary per year or three months salary over a period of three years.
- iii) Leave Travel Concession: For self family once in a year in accordance with the rules specified by the company.



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**Sreechem Resins Ltd.**

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- iv) Club Fees: Fees of Clubs subject to a maximum of two clubs.
- v) Personal Accident Insurance: Premium not to exceed Rs. 2500/- per annum
- vi) Other Benefits: Such other benefits / facilities as may be applicable to other Senior Executives of the Company from time to time in accordance with the Company's practice and rules.

**Explanation:**

For the purpose of category, a family means the spouse, the dependent children and dependent parents of the Managing Director / Joint Managing Director

**Category II**

Provision of car to and from Residence. Use of car for Company's business and telephone at residence will not be considered as perquisites.

**Notes:**

A member entitled to attend, vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf, and a proxy need not be a member of this company. Proxies in order to be effective must be received at the registered office of the company not later than 48 hours before the commencement of the meeting. A blank proxy form is enclosed.

The Register of Members and Share Transfer Books of the company will remain closed from 26.09.2016 to 30.09.2016 (both days inclusive).

As required by the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 details of the Director retiring by rotation and eligible for re-appointment are annexed hereto.

No Dividend has been proposed

Members are requested to note that as per Section 124 of the Companies Act, 2013, dividends not en-cashed or claimed within seven years from the date of transfer to the Company's Un-paid Dividend Account, will be transferred to the Investor Education and Protection Fund.

**Registered Office**

Vill : Jhagarpur,  
Post : Rajgangpur-770 017  
Orissa  
Dated : The 22<sup>nd</sup> day of August, 2016

By Order of the Board

S. N. KABRA  
MANAGING DIRECTOR



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## Sreechem Resins Ltd.

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The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividends. As per the recent RBI guidelines, effective from September 30, 2009, ECS credit will be moved completely on National Electronic Clearance System (NECS) platform through core banking system. Accordingly, dividend will be credited to the shareholders' Bank account through NECS where complete Core Banking details are available with the Company. In the event any branch of a Bank has not migrated to Core Banking system, or where the core banking account number is not furnished by the shareholder to the Depository/Company as the case may be, the Company will print the details available in its records on the dividend warrants to be issued to the shareholders. The Company is complying with SEBI's directive in this regard.

1. Members desiring to seek any information/clarification on the Annual Accounts are requested to write to the Company at least seven days before the Annual General Meeting.
2. Share holders are requested to notify their Bank particulars giving the name of the bank and the branch and the nature of account and also any change of address to the Company's Registrar and Share Transfer Agent, M/S MCS Share Transfer Agent Limited. Share holders are hereby intimated that under instructions from the Securities and Exchange Board of India (SEBI), furnishing of bank particulars by the shareholders has become mandatory.
3. Members are requested to send all communications relating to shares to the company's Registrar and Share Transfer Agent. (Physical and Electronic) M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700026. E- mail:mcssta@rediffmail.com
4. RBI vide it's Circular No. DPSS. (CO). EPPD. No. 191.04.01.01/2009-2010 dated July 29, 2009 has instructed banks to move to the NECS platform from October 1, 2009.

Consequently you are requested to provide your new account number allocated to you after implementation of Core Banking System by your Bank. otherwise NECS credit to your old account may either be rejected or returned.

Please provide to the Company's Share Registrar and Transfer Agent (M/S MCS Share Transfer Agent Limited, Kolkata) new Bank Account particulars along with a copy of the cheque duly cancelled by quoting your reference folio number in case of shares held by you in physical form. In case the shares are in Dematerialized form, you may kindly provide the same to your Depository participant, so that your future dividend payments can correctly be credited to your new **account**.

5. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 28<sup>th</sup> Annual General Meeting by electronic means and the other business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the 28<sup>th</sup> Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

### The instructions for e-voting are as under:

#### (A) In case of members receiving e-mail from NSDL:

- i) Open e-mail and PDF file viz. "SREECHEM RESINS LIMITED e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user id and password for remote e-voting. Please note that the password is an initial password.
- ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- iii) Click on shareholder – Login.
- iv) Put user id and password as initial password in step (i) above. Click Login.
- 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.



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**Sreechem Resins Ltd.**

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- vi) Home page of remote e-voting opens. Click on remote e-voting cycles.
- vii) Select "EVEN" of Sreechem Resins Limited.
- viii) Now you are ready for **remote** e-voting as cast vote page opens.
- ix) Cast your vote by selecting appropriate option and click on "Submit" and also click "Confirm" when prompted.

**(B) In case of members receiving physical copy of the notice of Annual General Meeting and attendance slip:**

- i) Initial password is provided below the attendance slip.
- ii) If you are already registered with NSDL for **remote** e-voting then you can use your existing user id and password for casting your vote.
- iii) The remote e-voting period commences on September 27, 2016 (9:00 AM) and ends on September 29, 2016 (5:00 PM). During this period shareholder of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- iv) The voting rights of shareholders shall be as per the number of equity shares held by members as on the cut-off date (record date) of September 23, 2016.
- v) Mr J. Patnaik of M/s J. Patnaik & Associates, Company Secretaries, Kolkata has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- vi) The Scrutinizer will submit within a period not exceeding 48 hours from the conclusion of the remote e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Managing Director of the Company.
- vii) The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website @ [www.sreechem.in](http://www.sreechem.in). Members may also note that the Notice of the 28<sup>th</sup> Annual General Meeting and the Annual Report for the year 2015-16, will be available on the Company's website.

**Registered Office**

Vill : Jhagarpur,  
Post : Rajgangpur-770 017  
Orissa  
Dated : The 22<sup>nd</sup> day of August, 2016

By Order of the Board

S. N. KABRA  
MANAGING DIRECTOR

**Explanatory Statement:**

**Appointment of Sri S.N. Kabra as Managing Director**

Sri S.N. Kabra was appointed as Managing Director in the A.G.M. held on 30.09.2010 for a period of five years u/s 161 of the Company's Act. He was to be re-appointed as Managing Director for a further period of five years from the end of A.G.M. held on 30.09.2015 on the same remuneration & terms and conditions. Sri S.N. Kabra, age about 67 years joined the company as Promoter on 16.05.1988. Being a Commerce Graduate, he has rich experience in Trade and Industry for a period of 38 years. The Board on the recommendation of the Audit Committee recommends to the Members to pass the Resolution Item No. 4 (A) of the Accompanying Notice for approval of the Members of the Company.



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**Sreechem Resins Ltd.**

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Other than Sri S.N. Kabra, none of the other Directors except Sri Vikram Kabra is concerned & interested in the Resolution. Sri S.N. Kabra is related to Sri Vikram Kabra as father.

**Appointment of Sri Binod Sharma as Jt. Managing Director**

Sri Binod Sharma was appointed as Managing Director in the A.G.M. held on 30.09.2010 for a period of five years u/s 161 of the Company's Act. He was to be re-appointed as Managing Director for a further period of five years from the end of A.G.M. held on 30.09.2015 on the same remuneration & terms and conditions. Sri Binod Sharma, age about 58 years joined the company as Promoter on 16.05.1988. Being a Commerce Graduate, he has rich experience in Trade and Industry for a period of 33 years. The Board on the recommendation of the Audit Committee recommends to the Members to pass the Resolution Item No. 4(B) of the Accompanying Notice for approval of the Members of the Company.

Other than Sri Binod Sharma, none of the other Directors except Sri Vibhor Sharma & Smt. Rajee Sharma are concerned & interested in the Resolution. Sri Binod Sharma is related to Sri Vibhor Sharma as father & to Smt. Rajee Sharma as husband.

**Appointment of Sri Uttam Jhawar as Independent Director**

Sri Uttam Jhawar appointed as Independent Director on 20.12.2010 u/s 161 of the Company's Act. He retired by rotation on the conclusion of the Twenty Fifth A.G.M. & was re-appointed as an Independent Director in the A.G.M. held on 26.09.2013. Being eligible offers himself for re-appointment as Director.

Being a Commerce Graduate, he has rich experience in Trade and Industry for a period of 17 years. The Board on the recommendation of the Audit Committee recommends to the Members to pass the Resolution Item No. 2(A) of the Accompanying Notice for approval of the Members of the Company.

None of the Directors are interested in the Resolution. He is not related to any other Directors of the Company.

**Appointment of Sri Sanjay Bansal as Independent Director**

Sri Sanjay Bansal appointed as Independent Director on 20.12.2010 u/s 161 of the Company's Act. He retired by rotation on the conclusion of the Twenty Fifth A.G.M. & was re-appointed as an Independent Director in the A.G.M. held on 26.09.2013. Being eligible offers himself for re-appointment as Director.

Being a Commerce Graduate, he has rich experience in Trade and Industry for a period of 16 years. The Board on the recommendation of the Audit Committee recommends to the Members to pass the Resolution Item No. 2(B) of the Accompanying Notice for approval of the Members of the Company.

None of the Directors are interested in the Resolution. He is not related to any other Directors of the Company.

**Ratification of appointment of Statutory Auditors and fixing their remuneration**

M/s. R.C. Jhawar & Co. Chartered Accountants, Kolkata, F.R. No. 310068E, were appointed as Statutory Auditors for a period of five years at the A.G.M. of the Company held on 30.09.2015. As per the Provision of Section 139(1) of the Company's Act, their appointment for the above tenure is subject to ratification by the Members at every A.G.M. Accordingly ratification of the Members is being sought for the same as set out in Item No. 3 of the Accompanying Notice.

The Board recommends the Resolution at Item No. 3 of the Accompanying Notice for ratification by the Members of the Company.

None of the Directors or Key Managerial Personnel is concerned or interested in the Resolution.





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**Sreechem Resins Ltd.**

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**DIRECTORS' REPORT TO SHAREHOLDERS**

TO

THE MEMBERS

Your Directors have pleasure in presenting the Twenty Eighth Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March 2016.

**Financial Results:**

	(Figures in Rs. '000)	
	Year ended 31.03.2016	Year ended 31.03.2015
Net Income from operations and other income	245634	313518
Profit before Depreciation, Interest & Tax	2466	10633
Interest	3105	4877
Depreciation	2406	2383
Profit/Loss before Tax	(3045)	3373
Provision for Taxation & Previous year taxes	NIL	1065
Deferred Tax	27	(68)
Profit/Loss after Tax	(3072)	2375
Balance Brought forward from Previous year	15978	13602
Leaving a balance to be carried forward	12906	15978

**OPERATIONS:**

Your Directors have to report that the net Income from operations for the year is Rs 24.56 crores against last years Rs. 31.35 crores exclusive of Inter Unit Transfers of Rs.5.58 crores against Rs 9.56 crores last year. There is a loss of Rs. 30.45 lacs against profit of Rs. 33.73 lacs in previous year. After provision for income tax amounting to Rs. Nil lacs and write back of Deferred Tax Liabilities of Rs. 0.27 lacs, Net Profit / Loss amounts to Rs.30.72 lacs, against Profit of Rs. 23.75 lacs last year. Adding the brought forward profit of Rs. 159.78 lacs, the balance of Rs. 129.06 lacs is carried over to the next year.

During the year sales decreased substantially as compared to last year. The prices of various raw materials fluctuated and increased during the year which could not be passed on to customers fully resulting in loss during the year. The Directors initiated cost reductions measures during the year under review. There is huge competition from other manufacturers as reported in the last year, the directors do not expect the situation to improve in the foreseeable future as order inflows have reduced.

**DIVIDEND:**

Looking to loss, your Directors are unable to propose any dividend for the year.

**CLOSURE OF MEMBERS AND SHARE TRANSFER BOOKS:**

The Register of Members and Share Transfer Books of the Company will be closed with effect from 26<sup>th</sup> September, 2016 to 30<sup>th</sup> September, 2016 (both days inclusive).

**TRANSFER TO RESERVES:**

The Company did not transfer any amount to General Reserve during the year.



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**Sreechem Resins Ltd.**

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**SHARE CAPITAL:**

The Authorized Share Capital of the Company is 5,00,00,000/- (Rupees five Crores only) divided into 50,00,000 Equity Shares of 10/- each. As on March 31, 2016 the paid-up share capital of the Company is 4,00,00,000 (Rupees four Crores only) divided into 40,00,000 Equity Shares of 10/- each. During the year your Company has not issued any equity shares.

**DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as at March 31, 2016.

**PARTICULARS OF EMPLOYEES:**

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended below.

There are no employees who were in receipt of remuneration in excess of the ceiling prescribed in the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further as on date of this report the company has 4 employees and their salaries are as mentioned below:

S. No.	Name of the Employee	Salary per month
1.	Sri S.N. Kabra	Rs. 50000/-
2.	Sri Binod Sharma	Rs. 50000/-
3.	Sri Vikram Kabra	Rs. 25000/-
4.	Sri Vibhor Sharma	Rs. 15000/-

Further the Company currently does not provide any Employee Stock Option Scheme/Employee Stock Purchase Scheme to its employees.

**VARIATION IN MARKET CAPITALIZATION:**

The trading in the script of the Company is suspended at BSE Limited. Therefore variation in the Market Capitalization has not been calculated.

**DIRECTORS :**

Sri Uttam Jhawar and Sri Sanjay Bansal, Directors who retires by rotation as required under company's act and being eligible, offers themselves for reappointment. The Board recommends their reappointment as Directors. The Shareholders are requested to approve their reappointment.

Sri S.N. Kabra - Managing Director & Sri Binod Sharma - Jt. Managing Director were reappointed in the A.G.M. on 29<sup>th</sup> September 2010. The Board recommends their reappointment as Directors. The Shareholders are requested to approve and ratify their appointment & payment of remuneration as mentioned in the Notice for a further period of five years.

**BOARD DIVERSITY:**

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website [www.sreechem.in](http://www.sreechem.in)

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

A report on management discussion & analysis is enclosed as part "C" of the Directors Report as per requirement of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.



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**Sreechem Resins Ltd.**

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**BOARD EVALUATION:**

Pursuant to the provisions of Section 134 (3) (p) of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the independent Directors was completed. The performance evaluation of the Managing Director and the non-independent Directors was carried out by the independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

**DETAILS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY:**

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013 except as mentioned in annual report.

**AUDITORS REPORT & AUDITORS' OBSERVATION:**

There is no audit qualification in the Company's financial statements. The company continues to adopt practices to ensure best practice as per Indian Accounting Standards. The Notes on Accounts referred to in the Auditors' Report enclosed are self-explanatory and do not call for any further comments.

**STATUTORY AUDIT:**

M/s R.C. Jhaver & Co., Chartered Accountants (Reg. No. 110068E), the statutory auditors of the Company, were appointed as Statutory Auditors for 5 years at the Twenty Seventh Annual General Meeting of the Company held on 30.09.2015. The Shareholders are required to ratify the appointment for the current financial year.

**SECRETARIAL AUDIT:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Secretarial Audit has been carried out by M/s J Patnaik & Associates, Kolkata a firm of company Secretaries in practice. The Secretarial Audit Report is annexed herewith as "Annexure I". The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

**COST AUDIT:**

The company is not required to maintain the Cost records for the financial Year 2015-16.

**AUDIT COMMITTEE RECOMMENDATION:**

During the year all the recommendations of the Audit Committee were accepted by the Board. The composition of the Audit Committee is as described in the Corporate Governance Report.

**LISTING:**

The shares of the company are listed at Bombay Stock Exchange, Ahmedabad Stock Exchange, Bhubaneswer Stock Exchange and Calcutta Stock Exchange Limited. The Scrip Code at BSE is 514248 and at CSE is 029056. ISIN No. for Demat of Shares is : INE377C01010

**The respective listing fees have not been paid for the year 2015-16.**

**RECONCILIATION OF SHARE CAPITAL:**

As directed by Securities Exchange Board of India (SEBI), Reconciliation of Share Capital is being carried out quarterly by a practicing Company Secretary. The findings of the Reconciliation of Share Capital were satisfactory.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(3)(c) and Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;



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**Sreechem Resins Ltd.**

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- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (erstwhile Companies Act, 1956) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the annual accounts on a going concern basis;
- (v) the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

The current policy is to have an appropriate mix of Executive, Non-executive and Independent Directors to maintain the independence of the Board, and separate its functions of governance and management. As on 31<sup>st</sup> March, 2016, the Board consist of 9 Members, 4 of whom are Executive Directors and 5 of whom is a Non-Executive Director of which 3 are Independent Directors. The Board periodically evaluates the need for change in its composition and size.

The Policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of director and other matters provided under Section 178(3) of the Companies Act, 2013, adopted by the Board. We affirm that the remuneration paid to the director is as per the terms laid out in the said policy.

**SUBSEQUENT EVENTS:**

There are no material changes and commitments affecting the financial position of the company which have occurred between March 31, 2016 and the date of the report except the order inflows have come down.

**NUMBER OF BOARD MEETINGS DURING FY 2015-16:**

During the year, 7 Board Meetings were held on 01.04.2015, 15.05.2015, 06.07.2015, 14.08.2015, 21.08.2015, 14.11.15 and 12.02.2016

**TRAINING OF INDEPENDENT DIRECTORS:**

Every new Independent Director at the time of appointment is issued a detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, Code of Conduct and obligations on disclosures.

Further every new Independent Director is provided with copy of latest Annual Report, the Code of Conducts, the Code of Conduct for Internal Procedures and to Regulate, Monitor and Report Trading by Insiders ("Code of Conduct - PIT") and the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information (the "Fair Practice Code"), Tentative Schedule of upcoming Board and Committee meetings.

The Company through its Executive Directors / Key Managerial Personnel conduct programs / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.

Thus such programs / presentations provides an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time. The Policy on the Familiarization Programme for Independent Directors is available on our website [www.sreechem.in](http://www.sreechem.in)

**BOARD'S COMMITTEES:**

Currently, the Board has three committees: the audit committee, the nomination and remuneration committee, and the Stakeholders Relationship Committee. All committees are appropriately constituted.



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**Sreechem Resins Ltd.**

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Name of the Committee	Name of the Company Member	Position in the Committee
<b>Audit Committee</b>	Mr. . S. K. Joshi	Chairman
	Mr. Uttam Jhawar	Member
	Mr. B.M. Banerjee	Member
During the financial year 2015-16 the Audit Committee met 4 (Four times)		
<b>Nomination and Remuneration Committee</b>	Mr. S. K. Joshi	Chairman
	Mr. B.M. Banerjee	Member
	Mr. Uttam Jhawar	Member
During the financial year 2015-16 Nomination and Remuneration Committee met once.		
<b>Stakeholders Relationship Committee</b>	Mr. B. M. Banerjee	Chairman
	Mr. S. K. Joshi	Member
	Mr. Vikram Kabra	Member
During the financial year 2015-16, the Stakeholders Relationship Committee met on 13.05.2015, 12.08.2015, 13.11.2015 & 11.02.2016		

**INTERNAL FINANCIAL CONTROL:**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

**CORPORATE SOCIAL RESPONSIBILITY:**

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

**DECLARATION OF INDEPENDENCE:**

**The Company has received Declaration of Independence from Mr. S.K. Joshi (DIN- 01457519), Mr. Uttam Jhawar (DIN- 00631065), Mr. Sanjay Bansal (DIN – 00142576), the Independent Directors of the Company as per sub-section (7) of Section 149 of the Companies Act, 2013. The declarations are annexed to the Report as Annexure II.**

**REMUNERATION & NOMINATION POLICY:**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The detail of the policy is explained in the Corporate Governance Report.

**RELATED PARTY TRANSACTION:**

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

**VIGIL MECHANISM POLICY:**

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Fraud Risk and Management Policy to deal with instances of fraud and mismanagement, if any.



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**Sreechem Resins Ltd.**

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The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

**PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of insider trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

**SUBSIDIARIES:**

The Company does not have any subsidiaries.

**MANAGERIAL REMUNERATION:**

Executive Directors are paid remuneration by way of salary, commission, perquisites and retirement benefits as recommended by the Nomination and Remuneration Committee and approved by the Board and shareholders of the Company.

Key Managerial Personnel and senior Management Personnel are paid remuneration by way of salary (comprising fixed components and variable component). Remuneration to Directors, Key Managerial personnel involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The Company does not have any Stock Option Scheme. No severance pay is payable on termination of appointment.

**BUSINESS RISK MANAGEMENT:**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the company has constituted a business risk management committee. The details of the committee and its terms of reference are set out in the corporate governance report forming part of the Boards report. At present the company has not identified any element of risk which may threaten the existence of the company.

**REGARDING KEY MANAGERIAL PERSONNEL:**

The Company has appointed/designated the following as the Key Managerial Personnel of the Company:

Mr. S.N. Kabra	–	Managing Director
Mr. Binod Sharma	–	Jt. Managing Director
Mr. P.D. Somani	–	Chief Financial Officer

Selection and appointment of key managerial persons was done on recommendations of audit and remuneration committee.

**EXTRACTS OF ANNUAL RETURN IN MGT- 9:**

The details forming part of the extract of the Annual Return for the year ended on 31.03.2016 in Form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as Annexure- III and forms an integral part of this Report.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013. All the employees (permanent, Contractual, temporary, Trainees) are covered under this policy.



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**Sreechem Resins Ltd.**

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During the year under review, no complaints were received falling under the category of Sexual Harassment of Women.

**MANAGEMENT DISCUSSION & ANALYSIS REPORTS:**

In-pursuance of Regulation 15(2) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 the compliance of Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) & para C, D, E of Schedule V of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 is not applicable for a company having paid up of 10 Crore or Net-worth of 25 Crore, in the immediate preceding FY & for a listed entity which has listed its specified securities on the SME Exchange and it is hereby informed that your Company has during the preceding financial year neither has the paid-up capital nor the Net-worth of Rs. 10 crore and Rs. 25 crore respectively. Thus the Compliance of above mentioned regulations is not mandatory for the Company.

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. At Sreechem Resins Ltd, it is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders. The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally.

The Report on corporate governance as stipulated under SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 is not being disclosed as the Compliance with the same is not mandatory.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO (Repetition)**

Details regarding the present energy consumption including captive generation, technology absorption, foreign exchange earning and outgo are furnished in Annexure-'B' as per the requirements of the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, other reports includes:

**ACKNOWLEDGEMENT AND APPRECIATION:**

The Board wishes to place on record their sincere thanks to the Employees of the Company for their sincere and hard work. The Board also wish to place on record their sincere thanks to the Company's Bankers the ALLAHABAD BANK, KOLKATA and convey their gratitude and thanks to the Company's esteemed share holders, customers and other business associates for their support.

Place: Kolkata

For and by Order of Board

Dated : The 30<sup>th</sup> day of May, 2016

S. N. Kabra  
Managing Director

Binod Sharma  
JT. Managing Director



**Sreechem Resins Ltd.**

**Annexure- A**

**FORM NO. AOC -2**

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

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

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

There were no contracts or arrangements or transactions entered in to during the year ended 31<sup>st</sup> March, 2016, which were not at arm's length basis.

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

SL. No.	Particulars	Details
I		
(a)	Name (s) of the related party & nature of relationship	Kasturi Fiscal Pvt. Ltd. Relationship – Associate Company
(b)	Nature of contracts/arrangements/transaction	Advance taken
(c)	Duration of the contracts/arrangements/transaction	Nine Months
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Short Term Advance Taken without Interest, Rs. 5,00,000/-
(e)	Date of approval by the Board	21 <sup>st</sup> August 2015
(f)	Amount of Transaction during the FY	Rs. 5,00,000/-
(g)	Amount paid as advances, if any during the FY	Rs. 5,00,000/- (Repayment)
II		
(a)	Name (s) of the related party & nature of relationship	Nivedan Mercantiles Pvt. Ltd. Relationship – Associate Company
(b)	Nature of contracts/arrangements/transaction	Advance taken
(c)	Duration of the contracts/arrangements/transaction	Twelve Months
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Short Term Advance Taken without Interest, Rs. 5,00,000/-
(e)	Date of approval by the Board	21 <sup>st</sup> August 2015
(f)	Amount of Transaction during the FY	Rs. 5,00,000/-
(g)	Amount paid as advances, if any during the FY	Rs. 5,00,000/- (Repayment)
III		
(a)	Name (s) of the related party & nature of relationship	Satya Narayan Kabra Relationship – Managing Director
(b)	Nature of contracts/arrangements/transaction	Advance given
(c)	Duration of the contracts/arrangements/transaction	Twelve Months
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Short Term Advance Given without Interest, Rs. 6,00,000/-
(e)	Date of approval by the Board	21 <sup>st</sup> August 2015
(f)	Amount of Transaction during the FY	Rs. 6,00,000/-
(g)	Amount paid as advances, if any during the FY	Rs. 6,00,000/- (Repayment)

**Date : The 30<sup>th</sup> day of May, 2016**

**Place : Kolkata**

**By Order of the Board of Directors**

**For SREECHEM RESINS LIMITED**

Sd/-

S. N. Kabra  
(DIN: 00556947)  
Managing Director

Sd/-

Binod Sharma  
(DIN: 00557039)  
JT. Managing Director





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**Sreechem Resins Ltd.**

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**ANNEXURE 'B' TO DIRECTOR'S REPORT**

Information as per Section 217(1) (e) read with Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988 and forming part of the Directors Report for the year ended 31<sup>st</sup> March 2016.

**1. CONSERVATION OF ENERGY:**

Company has taken various steps for conservation of energy and has installed energy efficient equipments and thereby able to minimize the energy consumption.

TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION AS PER FORM-A OF THE ANNEXURE TO THE RULES IN RESPECT OF INDUSTRIES SPECIFIED IN THE SCHEDULED THERETO:

<b>A. POWER &amp; FUEL CONSUMPTION</b>		<b>2015-2016</b>	<b>2014-2015</b>
1. Electricity			
Purchased Unit	KWH	382842	434923
Total Amount	Rs.	2827729	2953988
Rate	Rs./KWH	7.39	6.79
2. Own Generation through Diesel Generator			
Units	KWH	3026587	3123362
Unit per Litre of Diesel	KWH/ Ltr.	3.16	3.14
Cost per Unit	Rs./ KWH	17.43	16.26
B. Consumption per Unit Production (Electricity)	KWH/MT	139	138

**TECHNOLOGY ABSORPTION:****A. Research & Development (R & D)**

- a. Specific areas in which R & D carried out by the Company:
  - New Product development
- b. Benefits derived as a result of above R & D :
  - Addition to the existing range of products.
  - Cost reduction
- c. Further plan of action :
  - The Company will continue to further develop the Research & Development in the above areas and identify new areas of applications.
- d. Expenditure on R & D :
  - The expenditure on R & D was incurred in developing and commercializing products and as such specific expenditure under this head cannot be classified.

**B. Technology Absorption, Adoption and Innovation :**

There is no technical collaboration agreement. The Company is manufacturing with the help of in-house developed technology. The entire range of product is manufactured through know-how developed by the Company in-house.

**C. Foreign Exchange earnings and Outgo :**

Earnings - Rs.7759925.00 (P/Y Rs. 3893700.00)  
Outgo - Rs. NIL (P/Y Rs. NIL )

Place: Kolkata

Dated : The 30<sup>th</sup> day of May, 2016

For and by Order of Board

S. N. Kabra  
Managing Director

Binod Sharma  
JT. Managing Director



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**Sreechem Resins Ltd.**

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**ANNEXURE 'C' TO DIRECTOR'S REPORT**

**MANAGEMENT DISCUSSION AND ANALYSIS:**

OVERVIEW: The company manufactures Phenol base resins and derivatives. During the year, demand for resins remained depressed. Company's products are used by refractory units & steel plants. The steel industry world over was in depression specially China. Also there was dumping of imported refractories by China. As such local industries suffered and there was tremendous competition between refractory units as well as resins manufacturers.

**INDUSTRY STRUCTURE & DEVELOPMENT**

In the developing economy, Steel is a vital component to the development. The strength of the Steel Industry shows the growth & development of all major industrial economies. Consumption of Steel is a significant indicator of socio-economic development of the people of the Country. In the last few years, Steel Industry was rapidly expanding in India. But recently due to dumping by China the Steel industry is in difficult situation.

**COMPANY'S PERFORMANCE**

<b>Gross Income from Operations</b>	<b>Rs.</b>	<b>273827738</b>
<b>Profit / (Loss) before Taxation</b>	<b>Rs.</b>	<b>(3044859)</b>
<b>Profit after Taxation</b>	<b>Rs.</b>	<b>(3072092)</b>

**OPPORTUNITIES, FUTURE OUTLOOK & THREATS**

The Basic Raw-material – Phenol is manufactured in India by a Govt. Undertaking and a Private Sector Unit and is also imported. Normally there is no problem in procuring the same. But in the last two years H.O.C.L Unit remained closed and supplies remained Erratic frequently during the year and as such the company was compelled to procure phenol from imported consignments. The Company regularly supplies Phenolic Resins to various Refractory manufacturers and to Steel Plants. During The last Two years there was huge competition from other Resin manufacturers resulting in lower realizations. Thus there was loss during the year and the current year and future scenario is very dismal

**RISK & CONCERNS :**

**RAW MATERIALS PRICE RISK :**

There are only two manufacturers of our basic raw materials- phenol. Shut down of any or both the plants pose a risk of getting supplies as well price increases. Besides that there is huge fluctuation in the prices of Phenol as it is a crude oil base product. The Company has business understanding with some of the big customers constituting about 30% of the production and sales. According to the said understanding any increase / decrease in price of basic raw-materials is passed on the customers. In the remaining sales also the Company tries to insulate from any fluctuations in price of basic raw-materials to the extent possible. But increase in prices of other input items could not be passed on fully.

**OTHER BUSINESS RISKS:**

There is a risk of imports of Refractories from low cost Chinese Refractories manufacturers as well as resins dumped by China and resulting in lower capacity utilization by the Refractory Units. However, Company has long association with the Refractory Manufacturers, who are satisfied with the quality of the products of the Company. As such, the Company does not see much risk in marketing the products of the Company. The depreciation of the rupee is also a challenge affecting the cost of inputs.

**FINANCIAL CONDITION, LIQUIDITY**

With the proper management of receivables & inventories, the financial position of the Company is reasonably satisfactory for the current flow of orders and production. The Company does not require fresh capital resources in the near future.



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**Sreechem Resins Ltd.**

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**INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

There are well established and documented internal control systems and procedures in line with the size of the operations and business. The Company has engaged a Firm of Chartered Accountants for conducting internal audit of both the Units and Corporate Office, who are providing Internal Audit Reports on Quarterly Basis. Audit Committee reviews these reports and monitors effectiveness and operational efficiency of the Internal Control Systems.

Audit Committee is giving valuable recommendations and suggestions from time to time for improving the Business Process, Systems & Internal Controls. Annual Internal Audit Plans are prepared by the Internal Auditors in consultation with the Audit Committee and the Audit is conducted accordingly.

**INDUSTRIAL RELATIONS & HUMAN RESOURCES**

The relations with the employees of the Company remained more or less normal during the year. Due to insufficient orders the company retrenched few employees of the Raigarh unit last year. The Company have quality Technical Persons with long experience in the line of the business of the Company. The Board wishes to place on record its appreciation for the sustained efforts of the employees and management personals for the running of the business of the Company smoothly.

**CAUTIONARY STATEMENT**

The estimates are based on present conditions. Actual results could differ materially from those forecasted above. Important factors that could make a difference to the Company's operation include, among others, economic condition affecting demand/supply and price conditions in the market in which the company operates, changes in Government regulations, tax laws, dumping by foreign countries and others statutes and incidental factors and world economy.

Place: Kolkata

Dated : The 30<sup>th</sup> day of May, 2016

For and by Order of Board

S. N. Kabra  
Managing Director

Binod Sharma  
JT. Managing Director



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**Sreechem Resins Ltd.**

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To :The Board of Directors,  
Sreechem Resins Limited,  
Vill: Jhagarpur,,Post: Rajgangpur – 770 017  
Dist: Sundargarh (Orissa)

We, S. N. Kabra, Managing Director and P. D. Somani, Chief Financial Officer of Sreechem Resins Limited, do hereby certify that:

- a) We have reviewed the financial statements and the cash flow statements of the Company for the year 2015-16 and that to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) 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.
- b) 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 violate of the Company's code of conduct.
- c) 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.
- d) We have indicated wherever applicable to the auditors and audit committee:
  - i) significant changes in internal control over financial reporting, if any during the year;
  - ii) significant changes in accounting polices during the year and that the same have been disclosed in the notes to the financial statements; and instances of significant fraud of which we have become aware and the involvement therein,
  - iii) If any, of the management or any employee having a significant role in the company's internal control system, over financial reporting.

P.D.SOMANI  
Chief Financial Officer

S. N. KABRA  
MANAGING DIRECTOR

Place: KOLKATA

Dated : The 30<sup>th</sup> day of May, 2016



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**Sreechem Resins Ltd.**

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**Annexure –III to Boards Report  
Form No. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31.03.2016**

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

**I. REGISTRATION AND OTHER DETAILS :**

- i) CIN:- L24222OR1988PLC002739
- ii) Registration Date- 16.05.1988
- iii) Name of the Company- SREECHEM RESINS LIMITED
- iv) Category / Sub-Category of the Company: Company Limited by Shares.
- v) Address of the Registered office and contact details:  
At- Jhagarpur, Po.- Rajgangpur, Dist- Sundargarh, Odisha- 770 017  
Contact Detail: EPBX No. 9830060023, Email: sreechem.rajgangpur@rediffmail.com  
Website: www.sreechem.in
- vi) Whether listed company: YES
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:  
M/S MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Ground Floor, Kolkata - 700026

**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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Phenolic Resin & Allied Products	2429	100%

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

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/Subsidiary/Associate	% of Shares held	Applicable Section
	NA	NA	NA	NA	NA

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



**Sreechem Resins Ltd.**

*i) Category-wise Share Holding*

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	8,18,300	22,100	8,40,400	21.01	8,18,300	22,100	8,40,400	21.01	NIL
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt (s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total</b>									
<b>(A) (1):-</b>	8,18,300	22,100	8,40,400	21.01	8,18,300	22,100	8,40,400	21.01	NIL
(2) <b>Foreign</b>									
a) NRIs-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Other-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>(A) (2):-</b>									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	8,18,300	22,100	8,40,400	21.01	8,18,300	22,100	8,40,400	21.01	NIL
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	1,900	NIL	1,900	0.05	1,900	NIL	1,900	0.05	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	1,000	NIL	1,000	0.02	1,200	NIL	1,200	0.03	NIL
<b>Sub-total</b>									
<b>(B)(1):-</b>	2,900	NIL	2,900	0.07	3,100	NIL	3,100	0.08	NIL



**Sreechem Resins Ltd.**

<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	9,69,300	1,07,300	10,76,600	26.92	9,68,900	1,07,300	10,76,200	26.90	(-) 0.02
ii) Overseas	NIL	NIL	NIL	NIL					
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 Lakh	5,31,299	14,74,101	20,05,400	50.13	5,87,399	14,92,901	20,80,300	52.01	1.88
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh	50,800	23,900	74,700	1.87	NIL	NIL	NIL	NIL	NIL
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total</b>									
<b>(B)(2):-</b>	15,51,399	16,05,301	31,56,700	78.92	15,56,299	16,00,201	31,56,500	78.91	(-) 0.01
Total Public Shareholding									
<b>(B)=(B)(1)+ (B)(2)</b>	<b>15,54,299</b>	<b>16,05,301</b>	<b>31,59,600</b>	<b>78.99</b>	<b>15,59,399</b>	<b>16,00,201</b>	<b>31,59,600</b>	<b>78.99</b>	<b>NIL</b>
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Grand Total</b>									
<b>(A+B+C)</b>	<b>23,72,599</b>	<b>16,27,401</b>	<b>40,00,000</b>	<b>100</b>	<b>23,77,699</b>	<b>16,22,301</b>	<b>40,00,000</b>	<b>100</b>	<b>NIL</b>

**(ii) Shareholding of Promoters:**

SI	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledge / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledge / encumbered to total shares	% change in share holding during the year
1	Satya Narayan Kabra	4,14,600	10.37	NIL	4,14,600	10.37	NIL	NIL
2	Krishna Kumar Kabra	24,300	0.61	NIL	24,300	0.61	NIL	NIL
3	Yikram Kabra	15,900	0.40	NIL	15,900	0.40	NIL	NIL
4	Sashi Kabra	1,000	0.01	NIL	1,000	0.01	NIL	NIL
5	Mahesh Kabra	5,200	0.13	NIL	5,200	0.13	NIL	NIL
6	Binod Sharma	3,39,600	8.49	NIL	3,39,600	8.49	NIL	NIL
7	Rajee Sharma	32,700	0.82	NIL	32,700	0.82	NIL	NIL
8	Kanchan Sharma	2,000	0.05	NIL	2,000	0.05	NIL	NIL



**Sreechem Resins Ltd.**

9	Deoki Nandan Sharma	3,500	0.09	NIL	3,500	0.09	NIL	NIL
10	Ravi Sharma	1,500	0.04	NIL	1,500	0.04	NIL	NIL
11	Brajo Mohan Banerjee	100	0.00	NIL	100	0.00	NIL	NIL
	<b>Total</b>	<b>8,40,400</b>	<b>21.01</b>	<b>NIL</b>	<b>8,40,400</b>	<b>21.01</b>	<b>NIL</b>	<b>NIL</b>

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

Sl. No.	At the beginning of the year	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	
	At the beginning of the year	8,40,400	21.01	8,40,400	21.01
	Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease : <b>Purchase</b>	NIL	NIL	NIL	NIL
	<b>At the End of the year</b>			<b>8,40,400</b>	<b>21.01</b>

Sl. No.	For Each of the Top 10 Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Satya Narayan Kabra	4,14,600	10.37	4,14,600	10.37
2	Binod Sharma	3,39,600	8.49	3,39,600	8.49
3	Kasturi Fiscal Pvt. Ltd.	4,79,500	11.99	4,79,500	11.99
4	Nivedan Mercantiles Pvt. Ltd.	2,68,800	6.72	2,68,800	6.72
5	Sreechem Finance Pvt. Ltd.	1,66,700	4.17	1,66,700	4.17
6	Zadko Distributors Pvt. Ltd.	65,500	1.64	65,500	1.64
7	Rajee Sharma	32,700	0.82	32,700	0.82
8	Krishna Kumar Kabra	24,300	0.61	24,300	0.61
9	Vikram Kabra	15,900	0.40	15,900	0.40
10	Steel Aids Pvt. Ltd.	10,000	0.25	10,000	0.25





**Sreechem Resins Ltd.**

*(v) Shareholding of Directors and Key Managerial Personnel :*

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For Each of the Directors and KMP</b>				
1	<b>Satya Narayan Kabra – Managing Director</b>				
	At the beginning of the year	4,14,600	10.37	4,14,600	10.37
	Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease	—	—	NIL	NIL
	At the End of the year	—	—	4,14,600	10.37
2	<b>Binod Sharma – Jt. Managing Director</b>				
	At the beginning of the year	3,39,600	8.49	3,39,600	8.49
	Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease	—	—	NIL	NIL
	At the End of the year	—	—	3,39,600	8.49
3	<b>P. D. Somani - CFO</b>				
	At the beginning of the year	—	—	—	—
	Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease	—	—	—	—
	At the End of the year	—	—	—	—
4	<b>Vikram Kabra - Director</b>				
	At the beginning of the year	15,900	0.40	15,900	0.40
	Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease	—	—	—	—
	At the End of the year	—	—	15,900	0.40



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**Sreechem Resins Ltd.**

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**V. INDEBTEDNESS:**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2,77,25,550	-	-	2,77,25,550
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	2,77,25,550	-	-	2,77,25,550
<b>Change in Indebtness during the financial year</b>				
Addition	-	-	-	-
Reduction	22,12,495	-	-	22,12,495
<b>Net Change Indebtness</b>	22,12,495	-	-	22,12,495
<b>At the end of the financial year</b>				
i) Principal Amount	2,55,13,055	-	-	2,55,13,055
ii) Interest due but not paid	-	-	-	-
iii Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	2,55,13,055	-	-	2,55,13,055



**Sreechem Resins Ltd.**

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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

Sl.	Particulars of Remuneration	Name of M.D./ Jt. M.D./ Director				Total Amount (Amount in Rs.)
		S.N. Kabra - Managing Director	B. Sharma - Jt. Managing - Director	Mr. V. Kabra - Director	Mr. V. Sharma - Director	
1	Gross salary  (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, C201, 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	6,00,000	6,00,000	3,00,000	1,80,000	16,80,000
2	Stock Option	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4	Commission  - as % of profit  - others, specify...	Nil	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	6,00,000	6,00,000	3,00,000	1,80,000	16,80,000

*B. Remuneration to other directors :*

Sl.	Particulars of Remuneration	Name of Directors					Total Amount
		B.M. Banerjee	S.K. Joshi	Uttam Jhawar	Sanjay Bansal	Rajee Sharma	
	Independent Directors Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	NIL	NIL	Nil	NIL	NIL	Nil
	Total Remuneration	Nil	Nil	Nil	Nil	Nil	Nil



**Sreechem Resins Ltd.**

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN CHAIRMAN/MANAGER/WTD :**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross Salary	Nil		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	3,45,732	3,45,732
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	43,810	43,810
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission			
	as % of profit	Nil	Nil	Nil
	Others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	<b>Total</b>	Nil	<b>3,89,542</b>	<b>3,89,542</b>

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

Type	Sections of Company Act	Brief of description	Detail of penalty /punishment/ compounding fees imposed	Authority [RD/NCLT/Court]	Apeal made if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

**C. OTHER OFFICERS IN DEFAULT**

Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



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Sreechem Resins Ltd.

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**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF SREECHEM RESINS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Sreechem Resins Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss and the 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 to give a true and fair view of the financial position, financial performance and cash flow 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 of assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk 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 the 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.



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**Sreechem Resins Ltd.**

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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 March 31, 2016, and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of books and records of the Company as we consider appropriate and according to the information and explanation given to us, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanation given to us:
    - i) The company is not required to disclose, so the impact of pending litigations as at March 31, 2016 on its financial position in its financial statements as the Company did not have any pending litigation;
    - ii) The Company did not have any long-term contracts including derivate contracts for which there were any material foreseeable losses;
    - iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

**R C Jhawer**  
*Proprietor*  
Membership No. 017704  
For and on behalf of  
**R C Jhawer & Co.**  
*Chartered Accountants*  
**Regn. No. 310068E**  
**Kolkata**  
**30th May, 2016**



**Annexure A to the Independent Auditor's 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 its fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) As explained to us, all fixed assets have been physically verified during the year by the management in accordance with a regular program of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records, the Company does not have any immovable property.
- (ii) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management and discrepancies noticed on such physical verification between physical stock and book records were not material considering the operations of the company and the same have been properly dealt with in the books of account.
- (iii) In our opinion and according to the information and explanations given to us, the company has not granted any loans, secured or unsecured, to any companies, firm, Limited Liability partnerships or other parties as covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a) (b) and (c) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the companies Act, 2013 with respect to loans, investments, guarantees and security made.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 and 74 of the act and the rules framed there under.
- (vi) According to the information and explanations given to us, provisions relating to Cost Records and Audit are not applicable to the company.
- (vii) In respect of statutory dues:
  - a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and other material statutory dues as applicable with the appropriate authorities.
  - b) According to the information and explanations given to us by the management and records of the company examined by us, there are no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, cess and other material statutory dues which were outstanding, at the year-end for a period of more than six months from the date they became payable.



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**Sreechem Resins Ltd.**

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- (viii) According to the information and explanations given to us and the records of the company examined by us, the Company has not defaulted in repayment of dues to any financial Institution, Bank or Government. The Company has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the company did not raise any money by way of term loans, initial public offer or further public offer (Including debt instruments).
- (x) Based upon the audit procedures performed and to the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the company is not required to take the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act in respect of payment of managerial remuneration. Accordingly, paragraph 3(xi) of the order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with the provisions of Sections 177 and 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the order is not applicable.

**R C Jhaver**

*Proprietor*

Membership No. 017704

For and on behalf of

**R C Jhaver & Co.**

*Chartered Accountants*

**Regn. No. 310068E**

**Kolkata**

**30<sup>th</sup> May, 2016**





**Annexure A to the Independent Auditor's Report**

*(Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)*

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

We have audited the internal financial controls over financial reporting of **Sreechem Resins Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**R C Jhaver**

*Proprietor*

Membership No. 017704

For and on behalf of

**R C Jhaver & Co.**

*Chartered Accountants*

**Regn. No. 310068E**

**Kolkata**

**30<sup>th</sup> May, 2016**



**Sreechem Resins Ltd.**

**BALANCE SHEET AS AT 31ST MARCH, 2016**

EQUITY AND LIABILITIES	Notes	31st March, 2016		31st March, 2015	
			Rs.		Rs.
<b>Shareholders' Funds</b>					
Share Capital	2	40,000,000		40,000,000	
Reserves and Surplus	3	23,011,374	63,011,374	26,083,466	66,083,466
<b>Non-current Liabilities</b>					
Long Term Borrowings	4	458,572		76,282	
Deferred Tax Liabilities	5	1,750,905	2,209,477	1,723,672	1,799,954
<b>Current Liabilities</b>					
Short Term Borrowings	6	25,663,219		27,759,196	
Trade Payables	7	30,504,244		16,374,191	
Other Current Liabilities	8	3,677,801	59,845,264	5,914,301	50,047,688
<b>Total</b>			<b>125,066,115</b>		<b>117,931,108</b>
<b>ASSETS</b>					
<b>Non-current Assets</b>					
Fixed Assets					
Tangible Assets	9	18,156,965		19,241,114	
Non-current Investments	10	625,049	18,782,014	279,000	19,520,114
<b>Current Assets</b>					
Inventories	11	63,032,710		70,552,150	
Trade Receivables	12	37,808,240		18,962,813	
Cash and Cash Equivalents	13	1,202,944		1,743,927	
Short Term Loans and Advances	14	4,240,207	106,284,101	7,152,104	98,410,994
<b>Total</b>			<b>125,066,115</b>		<b>117,931,108</b>
<b>Significant Accounting Policies</b>	1				
<b>Notes on Financial Statements</b>	2 to 27				

Accompanying notes form integral part of the financial statements

**As per our report of even date.**

**RC JHAWER**

*Proprietor*

Membership No. 17704

*For and on behalf of*

**R C Jhaver & Co.**

*Chartered Accountants*

*F.R. No.310068E*

Kolkata-700001

Dated : The 30<sup>th</sup> day of May, 2016

S. N. KABRA

Managing Director

B. SHARMA

Jt. Managing Director

S. K. JOSHI - Independent Director

VIKRAM KABRA - Director

VIBHOR SHARMA - Director



**Sreechem Resins Ltd.**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

	Notes	YEAR ENDED 31ST MARCH, 2016		YEAR ENDED 31ST MARCH, 2015	
		Rs.	Rs.	Rs.	Rs.
<b>INCOME</b>					
Revenue from operations (Gross)	15	273,827,738		348,021,309	
Less : Excise Duty		29,581,956		35,313,678	
Revenue from operations (Net)		<u>244,245,782</u>		<u>312,707,631</u>	
Other Income	16	1,387,981		810,193	
<b>TOTAL REVENUE</b>		<b><u>245,633,763</u></b>		<b><u>313,517,824</u></b>	
<b>EXPENSES</b>					
Cost of Materials Consumed	17	204,243,732		260,537,511	
Purchase of stock in trade (Traded goods)		-		749,050	
in-progress and Stock-in-trade	18	4,292,732		4,632,807	
Employee Benefit Expenses	19	9,609,049		11,549,925	
Finance Costs	20	3,105,483		4,876,581	
Depreciation and Amortisation	9	2,405,642		2,383,174	
Other Expenses	21	25,021,984		25,415,994	
<b>TOTAL EXPENSES</b>		<b><u>248,678,622</u></b>		<b><u>310,145,042</u></b>	
<b>Profit before Tax</b>		(3,044,859)		3,372,782	
Tax Expenses					
- Current Tax		-		1,050,000	
- Tax related to past years		-		14,793	
- Deferred Tax	5	27,233	27,233	(67,510)	997,283
<b>PROFIT FOR THE YEAR</b>		<b><u>(3,072,092)</u></b>		<b><u>2,375,499</u></b>	
<b>Earnings per Equity Share (Face Value - Rs. 10/-)</b>	22				
<b>Basic and Diluted Earnings per Share - Rs.</b>		<b>(0.77)</b>		<b>0.59</b>	
<b>Significant Accounting Policies Notes on Financial Statements</b>	1 2 to 27				

Accompanying notes form integral part of the financial statements

**As per our report of even date.**

**RC JHAWER**

*Proprietor*

Membership No. 17704

*For and on behalf of*

**R C Jhaver & Co.**

*Chartered Accountants*

*F.R. No.310068E*

Kolkata-700001

Dated : The 30<sup>th</sup> day of May, 2016

S. N. KABRA

Managing Director

B. SHARMA

Jt. Managing Director

S. K. JOSHI - Independent Director

VIKRAM KABRA - Director

VIBHOR SHARMA - Director



Sreechem Resins Ltd.

**CASH FLOW STATEMENT FOR  
THE YEAR ENDED 31ST MARCH, 2016**

	<b>31.03.2016 Rs.</b>	<b>31.03.2015 Rs.</b>
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit Before Tax</b>	(3,044,859)	3,372,782
Adjustments for :		
Depreciation	2,405,642	2,383,174
Finance Cost	3,105,483	4,876,581
Interest Income	(63,141)	(46,013)
Other non operating income	(1,304,840)	(121,102)
Profit/(Loss) on sale of Fixed Assets	(20,000)	(643,078)
<b>Operating Profit Before Working Capital Changes</b>	1,078,285	9,822,344
Change in Working Capital		
Increase/Decrease in Trade & Other Payables	11,961,878	(19,200,691)
Increase/Decrease in Trade & Other Receivable	(15,933,530)	22,475,130
Increase/Decrease in Inventories	7,519,440	570,021
<b>Cash Generated from Operations</b>	4,626,073	13,666,804
Direct Taxes Paid (Net)	—	(1,079,790)
<b>Net Cash from Operating Activities</b>	4,626,073	12,587,014
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(1,321,493)	(102,305)
Sale of Fixed Assets	20,000	658,000
Purchase of Investment	(346,049)	—
<b>Net Cash used in Investing Activities</b>	(1,647,542)	555,695
<b>C. Cash Flow from Financing Activities</b>		
Interest Income	63,141	46,013
Other non operating income	1,304,840	121,152
Finance Cost Paid	(3,105,483)	(4,876,581)
Increase/Decrease in Long Term Borrowings	(1,782,012)	(8,662,033)
<b>Net Cash used from Financing Activities</b>	(3,519,514)	(13,371,449)
<b>D. Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	(540,983)	(228,740)
<b>E. Opening Cash &amp; Cash Equivalents (Cash and Bank Balances)</b>	1,743,927	1,972,667
<b>F. Closing Cash &amp; Cash Equivalents (D+E) (Refer Note 14)</b>	1,202,944	1,743,927

**NOTES :**

Figures in brackets represent outflows.

**This is the Cash Flow Statement referred to in our Report of even date.**

**RC JHAWER**

*Proprietor*

Membership No. 17704

*For and on behalf of*

**R C Jhaver & Co.**

*Chartered Accountants*

Kolkata-700001

Dated : The 30<sup>th</sup> day of May, 2016

S. N. KABRA

Managing Director

B. SHARMA

Jt. Managing Director

S. K. JOSHI - Independent Director

VIKRAM KABRA - Director

VIBHOR SHARMA - Director



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

1. SIGNIFICANT ACCOUNTING POLICIES

a. **Basis of Accounting and Preparation of Financial Statements**

The Financial Statements of the Company have been prepared on accrual method of accounting and under the historical cost convention in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013, as applicable. Where it is not possible to determine the quantum of accrual with reasonable certainty e.g. insurance and other claims, refund of excise duty/sales tax, payment of bonus etc., these continue to be accounted for on settlement basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

b. **Use of Estimates**

The preparation of financial statements requires management to make estimates that affects the reported amounts of assets and liabilities, disclosure of contingent liabilities and the reported amount of revenue and expenses at the date of the financial statements. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

c. **Fixed Assets**

**Tangible Fixed Assets** are stated at cost of acquisition or construction less accumulated depreciation (other than 'Freehold land' where no depreciation is charged). Cost includes related taxes, duties, levies and any cost directly attributable to acquisition and installation of assets and borrowing cost incurred up to the date of commencing operations, but excludes duties and taxes that are recoverable from taxing authorities. Apart from costs related directly to the construction of an asset, indirect expenses incurred up to the date of commercial production which are incidental and related to construction are capitalized as part of the construction cost.

d. **Depreciation and Amortisation**

i) Depreciation on tangible assets has been provided on straight line value method (SLM) as per the useful life prescribed in Schedule II to the Companies Act, 2013.

ii) Freehold Land is not depreciated. Assets costing individually up to '5,000 are fully depreciated in the year of purchase.

e. **Impairment of Assets**

The Company identifies impairable assets at the year-end for the purpose of arriving at impairment loss thereon being the difference between the book value and recoverable value of relevant assets. Impairment loss, when crystallises, are charged against revenues for that year.



**f. Inventories**

- i) **Raw materials and Stores** are valued at lower of cost or estimated realisable value. Cost in case of Raw Materials is worked out on FiFo Basis. Stock of Stores & Spares are stated at cost basis. **Intermediate Products** are carried at actual cost. Cost in all case is inclusive of purchase price, freight and handling charges, taxes, duties (other than Cenvat and Vat credits recoverable) and other attributable costs.
- ii) **Finished Goods** have been valued at lower of cost or net realizable value inclusive of Excise Duty. Cost includes all direct costs and applicable attributable overheads to bring the inventories to the present location and condition.

**g. Revenue Recognition**

Revenue from sale of products inclusive of sale of goods, services, excise duty and service tax after adjusting sales returns & trade discount is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. Revenue from sale of products is stated at net of VAT and Sales Tax.

Interest Income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

**h. Employee Benefits**

**Short Term Employee Benefits** – All employee benefits payable within twelve months of rendering the services are recognized in the period in which the employee renders the related service.

**Post Employment / Retirement Benefits** – Defined Contribution Plans such as Provident Fund etc. are charged to the Statement of Profit and Loss as incurred. In case of Defined Benefit Obligation Plans such as Gratuity and Leave Encashment, the company has not obtained any independent actuarial valuation report of its liability towards gratuity and leave encashment payable to its employees Gratuity is provided for on the basis of actuarial payments made to Life Insurance Corporation of India as per their Group Gratuity Scheme.

**i. Borrowing Cost**

Borrowing Costs that are directly attributable to the acquisition/construction of qualifying assets which take substantial period of time to get ready for intended use are capitalised as part of the cost of such assets. All other borrowing costs are accounted as expense.

**j. Foreign Currency Transaction**

- i) Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions.
- ii) Monetary items denominated in foreign currencies at the year end rate are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rates and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- iii) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss in the year in which they arise. Year-end balance of foreign currency transaction is translated at year-end rates.



**k. Taxation**

Tax Expenses comprises of current tax and deferred tax. Current Tax is calculated in accordance with the tax laws applicable to the current financial year. Deferred Tax is recognised on timing differences arising between the accounting income and taxable income for the year and computed using the tax rates and the laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognised and carried forward to the extent that there is a reasonably/virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

**l. Cash and Cash Equivalents**

Cash and cash equivalents in the cash flow statement comprise cash on hand and current account bank balances.

**m. Earnings Per Share**

Basic earning per share is calculated by dividing the net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net Profit or Loss for the year attributable to the equity shareholders and weighted average number of share outstanding if any are adjusted for the effects of all dilutive potential equity shares.

**n. Contingent Liabilities and Contingent Assets**

Contingent liabilities, if any are generally not being provided but disclosed by way of Notes to Accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.





**Sreechem Resins Ltd.**

**Notes to the Financial Statements (Contd...)**

	Per Value Rs.	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
<b>2. SHARE CAPITAL</b>			
<b>2.1 Schedule -</b>			
<b>Authorised :</b>			
50,00,000 Equity Shares of Rs.10/- each	10/-	<u>50,00,000</u>	<u>50,00,000</u>
		<b><u>50,00,000</u></b>	<b><u>50,00,000</u></b>
<b>Issued :</b>			
40,00,000 Equity Shares of Rs.10/- each	10/-	<u>40,00,000</u>	<u>40,00,000</u>
		<b><u>40,00,000</u></b>	<b><u>40,00,000</u></b>
<b>Subscribed &amp; Fully Paid-up :</b>			
40,00,000 Equity Shares of Rs.10/- each fully Paid in cash	10/-	<u>40,00,000</u>	<u>40,00,000</u>
		<b><u>40,00,000</u></b>	<b><u>40,00,000</u></b>

**2.1 Terms and rights attached to Equity Shares :**

The Company has only one class of Equity Shares having a par value of Rs.10/- per shares. Each Holder of Equity share is entitled to one vote per share. In the event of liquidation, the Eq. Share holders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

**2.3 Reconciliation of Number of Shares**

	No. of shares	No. of shares
Outstanding at the beginning of the year (No. of Shares)	4,000,000	4,000,000
Add : Issued and Allotted during the year	---	---
Outstanding at the end of the year (No. of Shares)	<b><u>4,000,000</u></b>	<b><u>4,000,000</u></b>

Particulars	31.03.2016		31.03.2015	
	No.	% holding	No.	% holding
Sri Satya Narayan Kabra	414600	10.37	414600	10.37
Sri Binod Sharma	339600	8.49	339600	8.49
M/s Kasturi Fiscal Pvt. Ltd.	479500	11.99	479500	11.99
M/s Nivedan Mercantiles Pvt. Ltd.	268800	6.72	268800	6.72
	<b><u>1,502,500</u></b>	<b><u>37.57</u></b>	<b><u>1,502,500</u></b>	<b><u>37.57</u></b>

**3. RESERVE & SURPLUS**

**General Reserve**

As per Last Year	10,105,696	10,105,696
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**Surplus in Statement of Profit and Loss**

As per Last Balance Sheet	15,977,770	13,602,271
Add : Profit for the year	<u>(3,072,092)</u>	<u>2,375,499</u>
	<u>12,905,678</u>	<u>15,977,770</u>
	<b><u>23,011,374</u></b>	<b><u>26,083,466</u></b>

**Sreechem Resins Ltd.****Notes to the Financial Statements (Contd...)****4. LONG TERM BORROWINGS**

	31.03.2016		31.03.2015	
	Non-Current Rs.	Current Rs.	Non-Current Rs.	Current Rs.
From Bank (Secured)				
Car Finance-From ICICI Bank	458,572	363,125	76,282	431,450
	<b>458,572</b>	<b>363,125</b>	<b>76,282</b>	<b>431,450</b>

## Notes :

- (i) Details of terms of payment of long term borrowings and security provided in respect of Secured Long term borrowings :  
ICICI Bank Ltd. - Secured by hypothecation of the Vehicles against which respective loans are taken.
1. Loan repayable by FY 2016-17 in 36 equal monthly instalments of Rs. 15985/- from the date of loan. Rate of Interest - 9.37%.
  2. Loan repayable by FY 2016-17 in 36 equal monthly instalments of Rs. 24554/- from the date of loan. Rate of Interest - 10.01%.
- (ii) For the current maturities of long Term Borrowings, refer items (a) in Note 8) Other Current Liabilities

	<u>31-03-2016</u>	<u>31-03-2015</u>
<b>5. DEFERRED TAX LIABILITIES</b>		
On Account of Difference between Book Value of Depreciable Assets as per Books of Account and Written Down Value for Tax purposes	1,723,672	1,791,182
Net Incremental Liability Charged to Profit & Loss Account	27,233	(67,510)
	<b><u>1,750,905</u></b>	<b><u>1,723,672</u></b>

**6. SHORT TERM BORROWINGS**

Loans repayable on demand		
From Banks		
Secured - Cash Credit	25,663,219	27,759,196
	<b><u>25,663,219</u></b>	<b><u>27,759,196</u></b>

## Notes:-

- \* The Cash Credit Loan from Allahabad Bank is secured by :-
- (a) Equitable mortgage by way of deposit of the title deeds of Land & Building, Structures and fixtures thereon both present & future of both Rajgangpur & Raigarh plants of the company,
  - (b) First charge by way of hypothecation of all movable properties - raw material, work in progress, finished goods, book debts, both present & future.
  - (c) Personal guarantee of Managing Director & Joint Managing Director of the company.

**7. TRADE PAYABLES**

Sundry creditors for goods	30,504,244	16,374,191
	<b><u>30,504,244</u></b>	<b><u>16,374,191</u></b>

There are no dues to Micro and Small Enterprises, determined to the extent such parties have been identified on the basis of information available with the Company, as at March, 31, 2016, which requires disclosure under the Micro, Small and Medium Enterprises Development Act, 2006.



**Sreechem Resins Ltd.**

**SCHEDULE TO ACCOUNTS**

**9. FIXED ASSETS**

	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 31st March, 2015	Additions during the Year	Adjustment/ Sales	As at 31st March, 2016	As at 31st March, 2015	For the Year	Adjustment/ Sales	As at 31st March, 2016	WDV as at 31st March, 2016	WDV as at 31st March, 2015
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Tangible Assets</b>										
Land	734,688	-	-	734,688	-	-	-	-	734,688	734,688
Building	15,369,726	-	-	15,369,726	8,880,241	453,986	-	9,334,227	6,035,499	6,489,485
Plant & Machinery	57,645,809	-	-	57,645,809	49,074,637	1,027,810	-	50,102,447	7,543,362	8,571,172
Electrical Installation	2,079,821	-	-	2,079,821	2,079,819	-	-	2,079,819	2	2
Laboratory Equipments	608,266	-	-	608,266	598,814	-	-	598,814	9,452	9,452
Furniture & Fixture	3,047,701	36,500	-	3,084,201	2,832,566	61,169	-	2,893,735	190,466	215,135
Computer	935,974	26,500	-	962,474	899,667	29,027	-	928,694	33,780	36,307
Motor Vehicle	5,249,832	1,258,493	105,546	6,402,779	3,403,788	489,753	105,546	3,787,995	2,614,784	1,846,044
Motor Vehicle-Goods	2,598,982	-	-	2,598,982	1,260,153	343,897	-	1,604,050	994,932	1,338,829
	<b>88,270,799</b>	<b>1,321,493</b>	<b>105,504</b>	<b>89,486,746</b>	<b>69,029,685</b>	<b>2,405,642</b>	<b>105,546</b>	<b>71,540,873</b>	<b>18,156,965</b>	<b>19,241,114</b>
<b>Previous Year</b>	<b>88,962,275</b>	<b>102,305</b>	<b>793,781</b>	<b>88,270,799</b>	<b>67,425,320</b>	<b>2,383,174</b>	<b>778,809</b>	<b>69,029,685</b>	<b>19,241,114</b>	

**RC JHAWER**

Proprietor  
Membership No. 17704  
For and on behalf of  
**R C Jhaver & Co.**  
Chartered Accountants  
F.R. No. 310068E

Kolkata-700001

Dated : The 30<sup>th</sup> day of May, 2016

S. N. KABRA

Managing Director

B. SHARMA

Jt. Managing Director

S. K. JOSHI - Independent Director

VIKRAM KABRA - Director

VIBHOR SHARMA - Director



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**Sreechem Resins Ltd.**

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**Notes to the Financial Statements (Contd...)**

	<u>31-03-2016</u>	<u>31-03-2015</u>
	<u>Rs.</u>	<u>Rs.</u>
<b>8. CURRENT LIABILITIES</b>		
Current maturities of long term debt *	363,125	431,450
Advance From Related Parties	–	1,000,000
Creditors for expenses	2,052,101	2,967,909
Advance from Customers	80,685	160,000
Employees benefits liabilities	361,418	385,189
Differential Excise Duty on F.G. Stock	311,666	788,636
Statutory Dues	508,806	181,117
	<u><b>3,677,801</b></u>	<u><b>5,914,301</b></u>
<b>9. FIXED ASSETS</b>		
Separate Schedule	_____	_____
<b>10. NON CURRENT INVESTMENTS</b>		
Fixed Deposits - with Bank	346,049	–
<b>(Non Trade UnQuoted)</b>		
6 Year National saving Certificate VII *	29,000	29,000
3000 (P.Y.-3000) Fully paid up Equity shares of Rs 10/- each in Sreechem Industries Pvt. Ltd.	150,000	150,000
10000 (P.Y.-10000) Fully paid up Equity shares of Rs 10/- each in Orind Exports Limited	100,000	100,000
<b>Total</b>	<u><b>625,049</b></u>	<u><b>279,000</b></u>
* Certificate are lodged with sales Tax & Excise Authorities		
<b>11. INVENTORIES</b>		
Raw Materials	52,188,032	59,417,759
Finished Goods	2,804,986	7,097,718
Packing Materials	3,673,104	3,508,103
Stores and Spares	513,130	528,570
Goods in Transit	3,853,458	–
	<u><b>63,032,710</b></u>	<u><b>70,552,150</b></u>
<b>12. TRADE RECEIVABLE</b>		
(Unsecured, Considered Good)		
Outstanding for a period exceeding 6 months	1,436,487	1,700,810
Others	36,371,753	17,262,003
	<u><b>37,808,240</b></u>	<u><b>18,962,813</b></u>



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**Sreechem Resins Ltd.**

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**Notes to the Financial Statements (Contd...)**

	<u>31-03-2016</u>	<u>31-03-2015</u>
	<u>Rs.</u>	<u>Rs.</u>
<b>13. CASH AND CASH EQUIVALENTS -</b>		
Cash in Hand	590,319	1,142,977
Balance in Current Account with Scheduled Banks	612,625	600,950
	<u><b>1,202,944</b></u>	<u><b>1,743,927</b></u>
<b>14. SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured, Considered Good)		
Advance to Related Parties (refer note no. 26).	-	600,000
Advance-others	760,000	760,000
Advance to Suppliers	202,391	147,252
Prepaid Expenses	317,456	166,948
Security Deposit	719,061	729,507
Staff Advances	246,719	258,477
Taxes and Duties Receivable	688,501	652,009
Balances with government Authorities	1,214,446	3,816,620
Advance Income Tax*	91,633	21,291
*Net of Provisions for current Income Tax Rs.1050000/=	<u><b>4,240,207</b></u>	<u><b>7,152,104</b></u>
<b>15. REVENUE FROM OPERATIONS -</b>		
Sale of Goods*	273,827,738	348,021,309
	<u><b>273,827,738</b></u>	<u><b>348,021,309</b></u>
* Net off Sales Returns & Discounts		
<b>16. OTHER INCOME</b>		
Interest Income	63,141	46,013
Profit / Loss on sale of Fixed Assets	20,000	643,078
Transportation Outward	82,000	-
Other Non-operating Income	1,222,840	121,102
	<u><b>1,387,981</b></u>	<u><b>810,193</b></u>
<b>17. COST OF MATERIAL CONSUMED</b>		
Opening Stock	59,417,759	55,821,970
Add: Purchases	197,014,005	264,133,300
	256,431,764	319,955,270
Less : Closing Stock	52,188,032	59,417,759
Consumption	<u><b>204,243,732</b></u>	<u><b>260,537,511</b></u>



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**Sreechem Resins Ltd.**

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**Notes to the Financial Statements (Contd...)**

	<u>31-03-2016</u> Rs.	<u>31-03-2015</u> Rs.
<b>18. CHANGES IN INVENTORIES OF FINISHED GOODS, WIP</b>		
<b>Opening Stock :</b>		
Finished Goods	7,097,718	11,730,525
Work-in-Progress	-	-
<b>Sub-total (I)</b>	<u><u>7,097,718</u></u>	<u><u>11,730,525</u></u>
<b>Closing Stock :</b>		
Finished Goods	2,804,986	7,097,718
Work-in-Progress	-	-
<b>Sub-total (II)</b>	<u><u>2,804,986</u></u>	<u><u>7,097,718</u></u>
<b>Total (I-II)</b>	<u><u>4,292,732</u></u>	<u><u>4,632,807</u></u>
<b>19. EMPLOYEES BENEFITS EXPENSES</b>		
Salaries & Wages	7,035,075	8,758,574
Director's Remuneration	1,680,000	1,680,000
Contribution to Provident, Gratuity & other funds	659,010	840,026
Staff Welfare Expenses	234,964	271,325
	<u><u>9,609,049</u></u>	<u><u>11,549,925</u></u>
<p>As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below -</p>		
<b>Defined Contribution Plus</b>		
Contribution to Defined Contribution Plan, recognised as expenses for the year is as under -		
Employer's Contribution to Provident Fund	<u><u>464,812</u></u>	<u><u>590,069</u></u>
<b>Defined Benefit Plan</b>		
The disclosure as required could not be given as the Company has not provided for retirement and other benefits.		
<b>20. FINANCE COSTS</b>		
Interest on Working Capital Loan to Banks	2,848,520	4,278,690
Interest on Other Finances	256,963	597,891
	<u><u>3,105,483</u></u>	<u><u>4,876,581</u></u>
<b>21. OTHER EXPENSES</b>		
Power & Fuel	9,372,121	11,469,527
Bank Charges	312,940	51,966
Consumption of Stores & Spares parts	303,616	689,060
Consumption of Packing Material	3,313,567	2,371,354
Repairs - Building	1,001,965	689,533
- Machinery	244,616	196,708
- Others	130,200	176,434



**Sreechem Resins Ltd.**

**Notes to the Financial Statements (Contd...)**

	<b>31-03-2016</b>	<b>31-03-2015</b>
	<b>Rs.</b>	<b>Rs.</b>
Auditors' Remuneration	66,781	64,607
Maintenance and upkeep	39,194	88,748
Motor Car Maintenance Expenses	1,057,826	1,064,368
Insurance	488,347	598,604
Advertising, Business promotion & Market Research	110,132	75,924
Transportation Expenses	1,740,984	1,098,116
Motor vehicle expenses-Goods	1,344,015	1,343,471
Consultancy & professional fees	157,015	157,848
Travelling & Conveyance	278,177	620,498
Printing and Stationery	181,673	160,313
Commission on Sales	390,232	166,909
Postage & Courier Expenses	149,942	128,161
Telephone Expenses	214,884	198,437
Rent	143,489	157,631
Rates & Taxes	1,623,160	1,782,231
Foreign exchange loss	46,676	84,427
Miscellaneous Expenses	2,310,432	1,981,119
	<b>25,021,984</b>	<b>25,415,994</b>

**22. FOREIGN CURRENCY TRANSACTION**

**a) i. Value of direct imports on CIF Basis**

Raw Materials	-	-
Store & Spare parts (incl. Components)	-	-

**ii. Expenditure in foreign currency**

-

**iii. Earnings in foreign exchange**

Export (including Deemed) of goods (on FOB basis)	7,759,925	3,893,700
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b) Foreign Exchange Loss of Rs.46676/- (previous year Gain : Rs.84427/-) has been included in respective heads of the Statement of Profit and Loss.

c) **Value of consumptions of directly Imported & Indigenously obtained raw materials, stores & spares & percentage of each to the total consumption :**

	<b>2015-16</b>		<b>2014-15</b>	
	(Rs. In lacs)	%	(Rs. In lacs)	%
<b>Raw Materials</b>				
Directly Imported	-	-	-	-
Indigenously Obtained	2,042.44	100.00	2,605.38	100.00
	<b>2,042.44</b>	<b>100.00</b>	<b>2,605.38</b>	<b>100.00</b>
<b>Components, Stores &amp; Spares</b>				
Directly Imported	-	-	-	-
Indigenously Obtained	3.04	100.00	6.89	100.00
	<b>3.04</b>	<b>100.00</b>	<b>6.89</b>	<b>100.00</b>



**Sreechem Resins Ltd.**

**Notes to the Financial Statements (Contd...)**

**23. SEGMENT INFORMATION**

(in terms of AS 17)

The Company operates in a single business segment "Phenolic Resins & Derivatives". The segment information in terms of AS 17 are not required to be given. The information based on location of customers are as under :

	(Rs. In lacs) <b>2015-16</b>	(Rs. In lacs) <b>2014-15</b>
<b>Revenue from Operations</b>		
Within India	2,364.86	3,088.14
Outside India	77.60	38.94
<b>Total</b>	<b>2,442.46</b>	<b>3,127.08</b>

**24. RELATED PARTY DISCLOSURES**

(in terms of AS 18)

**(a) List of Related Parties and description of relationship**

<b>(i) Key Management Personnel</b>	Sri Satya Narayan Kabra - Managing Director Sri Binod Sharma - Jt. Managing Director Sri Vikram Kabra - Director Sri Vibhor Sharma - Director
<b>(ii) Relatives of KMP</b>	Sri Krishna Kumar Kabra
<b>(iii) Enterprises in which Key Management Personnel are interested</b>	Kasturi Fiscal Pvt. Ltd. Nivedan Mercantiles Pvt. Ltd. Sreechem Finance Pvt. Ltd.

		<b>31-03-2016</b>	<b>31-03-2015</b>
<b>Remuneration paid to KMP -</b>	Sri Satya Narayan Kabra	600,000	613,748
	Sri Binod Sharma	600,000	604,792
	Sri Vikram Kabra	300,000	300,000
	Sri Vibhor Sharma	180,000	180,000
<b>Salary paid to Relatives of KMP -</b>	Sri Krishna Kumar Kabra	-	251,255

**Details of Transaction with Enterprise - Op. Balance    Received    Repayment    Outstanding**

Loans & Advances

Kasturi Fiscal Pvt. Ltd.	500000 Cr.	-	500,000	-
Nivedan Mercantiles Pvt. Ltd.	500000 Cr.	-	500,000	-
Satya Narayan Kabra (M.D.)	600000 Dr.	6000,000	-	-

**25. EARNINGS PER SHARE  
(In terms of AS 20)**

	<b>2015-16</b>	<b>2014-15</b>
Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	(3,072,092)	2,375,499





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**Sreechem Resins Ltd.**

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**Notes to the Financial Statements (Contd...)**

Weighted Average number of Equity Shares	4,000,000	4,000,000
Basic and Diluted Earnings per share (Rs.)	<b>(0.77)</b>	<b>0.59</b>
Face Value per Equity Share (Rs.)	10	10

**26. CONTINGENT LIABILITIES**

(not provided for)

Matter under appeal like Income Tax, Sales Tax, Excise etc.	NIL	102,547
	<u>NIL</u>	<u>102,547</u>

**27.** The previous period's figures have been regrouped/reclassified whenever required.

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**As per our report of even date.****RC JHAWER***Proprietor*

Membership No. 17704

*For and on behalf of***R C Jhaver & Co.***Chartered Accountants**F.R. No.310068E*

Kolkata-700001

Dated : The 30<sup>th</sup> day of May, 2016

S. N. KABRA

Managing Director

B. SHARMA

Jt. Managing Director

S. K. JOSHI - Independent Director

VIKRAM KABRA - Director

VIBHOR SHARMA - Director



**Sreechem Resins Ltd.**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2016

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

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2016

To,  
The Members,  
Sreechem Resins Ltd

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sreechem Resins Limited** (hereinafter called "the company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Sreechem Resins Ltd books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Sreechem Resins Limited** ("the Company") for the financial year ended on 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made 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'):-



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**Sreechem Resins Ltd.**

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- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1995;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Other applicable laws generally applicable to the Industry / Company
  - a. Factories Act, 1948
  - b. The Minimum Wages Act, 1948
  - c. The Payment of Gratuity Act, 1972
  - d. The Child Labour (Prohibition & Regulations) Act, 1986
  - e. The Environment [Protection] Act, 1986, Read with the Environment (Protection) Rules, 1986]
  - f. The Water (Prevention & Control of Pollution) Act, 1974  
[Read with Water (Prevention & Control of Pollution) Rules, 1975]
  - g. The Air (Prevention & Control of Pollution) Act, 1981.  
(Read with the Air (Prevention & Control of Pollution) Rules, 1982)
- (vii) We in conclusion with the Company came to the conclusion that no specific laws were directly applicable with regard business activities of the Company during the period under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements / Regulations entered/adopted into by the Company with Calcutta Stock Exchange, Bombay Stock Exchange, Ahmedabad Stock Exchange and Bhubaneswer Stock Exchange.
- (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**I further report that** 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.



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**Sreechem Resins Ltd.**

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**I further report that** during the audit period there were no instances of the Company entering into any event/s, having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc, referred to above for example.

- i) Public / Right / Preferential issue of shares / debentures / sweat equity
- ii) Redemption / buy back of securities
- iii) Merger / amalgamation / reconstruction, etc
- iv) Foreign technical collaborations

*I further report that the company hasnot appointed Company Secretary which is contravention of the provisions of Section 203 of the Companies Act, 2013 and LODR.*

Place: Kolkata  
Date: 30/05/2016

J. Patnaik  
J. Patnaik & Associates  
Company Secretaries  
FCS No.: 5045  
C P No.: 3102



Sreechem Resins Ltd.

## ANNEXURE TO THE NOTICE

### Information required to be furnished as per the Listing agreement :

As required under the listing agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below :

Name of the Director	<b>Mr. Satya Narayan Kabra</b>
DIN	00556947
Date of Birth	20.12.1948
Date of Appointment	16.05.1988
Qualification	Graduate
Expertise in specific functional areas	Practical experience in business & industry for the last 38 years
List of other Companies in which Directorship held (excluding in Foreign companies)	1. Aabas Projects Pvt. Ltd. 2. Shreechem Finance Pvt. Ltd. 3. Nivedan Mercantiles Pvt. Ltd. 4. Kasturi Fiscal Pvt. Ltd. 5. Suraj Products Ltd.
Chairman/Member of Committees the Board of Directors of the Company	NIL
Details of shareholding (both own or held by/for other persons on beneficial basis), if any, in the Company	414600 Shares
Name of the Director	<b>Mr. Binod Sharma</b>
DIN	00557039
Date of Birth	14.11.1957
Date of Appointment	16.05.1988
Qualification	Graduate
Expertise in specific functional areas	Practical vast experience in various industries & businesses for the last 33 years
List of other Companies in which Directorship held (excluding in Foreign companies)	1. Sreechem Finance Pvt. Ltd. 2. Nivedan Mercantiles Pvt. Ltd. 3. Kasturi Fiscal Pvt. Ltd. 4. BSN Investment Pvt. Ltd. 5. Steel Aids Pvt. Ltd. 6. Josh Commercial Pvt. Ltd. 7. Shreechem Industries Pvt. Ltd. 8. SSAB Energy & Minerals Ltd. 9. Rourkela Lifeline Pvt. Ltd.
Chairman/Member of Committees the Board of Directors of the Company	NIL
Details of shareholding (both own or held by/for other persons on beneficial basis), if any, in the Company	339600 Shares



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**Sreechem Resins Ltd.**

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Name of the Director	<b>Mr. Uttam Jhawar</b>
DIN	00631065
Date of Birth	20.04.1971
Date of Appointment	20.12.2010
Qualification	Graduate
Expertise in specific functional areas	Practical experience in Engineering Industries for the last 17 years
List of other Companies in which Directorship held (excluding in Foreign companies)	1. Uttam Metals Pvt. Ltd. 2. Sreechem Constructions Pvt. Ltd. 3. Win Fasteners Pvt. Ltd. 4. Disha Finvest and Credits Pvt. Ltd. 5. Calfab India Ltd.
Chairman/Member of Committees the Board of Directors of the Company	1. Member of Audit Committee 2. Nomination & Remuneration Committee
Details of shareholding (both own or held by/for other persons on beneficial basis), if any, in the Company	Nil
Name of the Director	<b>Mr. Sanjay Bansal</b>
DIN	00142576
Date of Birth	19.02.1973
Date of Appointment	20.12.2010
Qualification	Graduate
Expertise in specific functional areas	Practical experience in Iron & Steel Industry for the last 16 years
List of other Companies in which Directorship held (excluding in Foreign companies)	1. SSAB Energy & Minerals Ltd. 2. Tropic Resources Pvt. Ltd. 3. Pratham Steels Pvt. Ltd. 4. Leharsh International Pvt. Ltd. 5. Leharsh Exports & Services Pvt. Ltd. 6. Swapanmahal Builders Pvt. Ltd. 7. Sirus Engineering Pvt. Ltd. 8. Jaiprakash hospital & Reserach Pvt. Ltd.
Chairman/Member of Committees the Board of Directors of the Company	NIL
Details of shareholding (both own or held by/for other persons on beneficial basis), if any, in the Company	Nil



**Sreechem Resins Ltd.**

**Sreechem Resins Ltd.**

CIN: L24222OR1988PLC002739

Regd. Office: Vill : Jhagarpur, Post : Rajgangpur – 770 017

Dist : Sundargarh, Odisha, e-mail : sreechem.rajgangpur@rediffmail.com

website: www.sreechem.in | Ph: (06624) 211943

**ATTENDANCE SLIP**

**(To be handed over at the entrance of the meeting Hall)**

**(Annual General Meeting- 30<sup>th</sup> September, 2016)**

I/ We hereby record my presence at the Annual General Meeting of Sreechem Resins Ltd held on Friday, 30<sup>th</sup> September, 2016 at 10:00AM at Vill: Jhagarpur, Post: Rajgangpur – 770 017, Dist: Sundargarh, Odisha

Full Name of the member (IN BLOCK LETTERS): .....

Folio No. .... DP ID No. .... Client ID No. ....

Full Name of Proxy (In BLOCK LETTERS):.....

Member/ Proxy(s) Signature:.....

**Note:**

1. Please complete the Folio/ DP ID- Client ID No. and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.
2. Electronic copy of the Annual Report for the financial period ended on 31.03.2016 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all members whose e-mail address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of Annual Report for the financial period ended on 31.03.2016 and Notice of Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for hard copy.



Sreechem Resins Ltd.

**SREECHEM RESINS LIMITED**

Regd Off: Vill: Jhagarpur, Post: Rajgangpur – 770 017, Dist: Sundargarh, Odisha

Tel No. (06624) 211943, email: sreechem.rajgangpur@rediffmail.com

CIN: L24222OR1988PLC002739

(28<sup>th</sup> Annual General Meeting – 30<sup>th</sup> September, 2016)

FORM NO. MGT-11

**PROXY FORM**

[Pursuant to Section 105 (6) of the Companies Act, 2013 of the Companies (Management and Administration) Rules, 2014]

CIN : L24222OR1988PLC002739  
 Name of the Company : Sreechem Resins Limited  
 Regd office : Vill: Jhagarpur, Post: Rajgangpur – 770 017  
 Dist: Sundargarh, Odisha  
 Name of the Members :  
 Registered Address :  
 E- Mail Id :  
 Folio No./ Client No. :  
 DP ID :

I/ We, being the member(s) of .....Shares of the above company, hereby appoint.

- Name..... Address .....  
E-mail Id:..... Signature..... or failing him
- Name..... Address .....  
E-mail Id:..... Signature..... or failing him
- Name..... Address .....  
E-mail Id:..... Signature..... or failing him

As my proxy to attend and vote (on a poll) for me/ us on my/ our behalf at the AGM of the Company, to be held on 30<sup>th</sup> day of September, 2016 at 10.00 AM at land at Jhagarpur, Post: Rajgangpur, Sundargarh, Odisha and at any adjournment thereof in respect of such resolution(s) as are indicated below.

Resolution	For	Against
1. Consider and adopt of Audited Financial Statements, Reports of the Board of Directors and Auditors		
2. A. Re-appointment of Mr. Uttam Jhawar		
B. Re-appointment of Mr. Sanjay Bansal		
3. Re-appointment of Auditors and to fix their remuneration		
4. A. Re-appointment of Mr. S. N. Kabra		
B. Re-appointment of Mr. Binod Sharma		

Signed this .....Day of ..... 2016

Signature of the Shareholder(s) ..... Signature of Proxy(s).....

Affix  
Revenue  
Stamp

NOTES: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.





Sreechem Resins Ltd.

**SREECHEM RESINS LIMITED**

Regd Off: Vill: Jhagarpur, Post: Rajgangpur – 770 017, Dist: Sundargarh, Odisha

Tel No. (06624) 211943, email: sreechem.rajgangpur@rediffmail.com

CIN: L24222OR1988PLC002739

**(ANNEXURE TO THE NOTICE FOR THE 28<sup>th</sup> ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON 30<sup>th</sup> SEPTEMBER, 2016)**

1. Name & Registered Address  
of Sole/First named Member :
2. Joint Holders Name (If any) :
3. Folio No. / DP ID & Client ID :
4. No. of Equity Shares Held :

Dear Shareholder,

**Subject: Process and manner for availing E-voting facility :**

Pursuant to Provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide E-voting facility to the members to cast their votes electronically on all resolutions proposed to be considered at the Annual General Meeting (AGM) to be held on Wednesday, the 30<sup>th</sup> of September, 2016 at 10:00 P.M. at Vill: Jhagarpur, Post: Rajgangpur – 770017, Dist: Sundargarh, Odisha and at any adjournment thereof.

The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the e-voting facility. The e-voting facility is available at the link <https://www.evotingindia.com>.

The Electronic Voting Particulars are set out below:

<b>EVSN (E- Voting Sequence Number)</b>	<b>User ID</b>	<b>PAN / Sequence No.</b>

The E-voting facility will be available during the following voting period:

<b>Remote e-Voting Start On</b>	<b>Remote e-Voting End On</b>
27 <sup>th</sup> September, 2016 at 9:00 A.M. (IST)	29 <sup>th</sup> September, 2016 at 5:00 P.M. (IST)

Please read the instructions mentioned in Point No. 5 of the Notice before exercising your vote.

**By Order of the Board  
For Sreechem Resins Limited**

Place : Rajgangpur

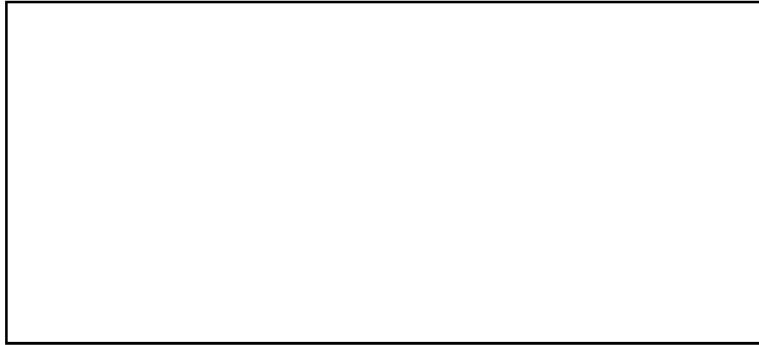
Date : The 22<sup>nd</sup> day of August 2016

Encl : AGM Notice/Attendance Slip/Proxy Form

**Satya Narayan Kabra  
Managing Director**



REGISTERED POST



*If undelivered please return to:*  
MCS Shares Transfer Agent Ltd.  
12/1/5, Manoharpukur Road  
Kolkata - 700 026

