

**Regd. Office :-**

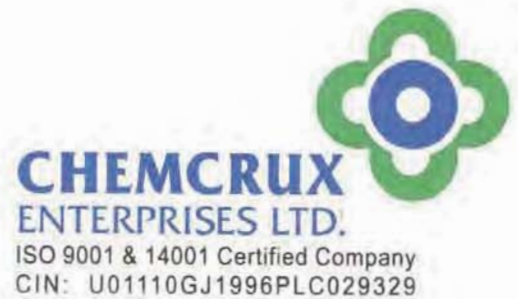
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## BOARDS' REPORT

To the Members,  
Chemcrux Enterprises Limited,  
Vadodara.

Your Directors have pleasure in presenting their Annual Report of the Company together with the Audited Financial Statements of the Company for the year ended on 31<sup>st</sup> March, 2016.

### Financial Results/ Review of Operations:

Particulars	(Amount in Rs.)	
	Current year 2015 - 16	Previous Year 2014-15
<b>Total Revenue</b>	20,23,58,861	19,65,87,792
<b>Total Expenditure</b>	(17,74,67,217)	(18,33,27,604)
<b>Profit Before Tax</b>	2,46,01,845	1,32,60,188
Less : Current Tax	(66,00,000)	(45,35,000)
Less: Tax Expenses prior period	-	-
Less : Deferred Tax Expenses(Income)	(6,18,142)	(1,51,434)
<b>Profit / (Loss) After Taxes</b>	1,73,83,703	85,73,754

The Company has earned Net Profit of Rs. 1,73,83,703 during the year ended on 31<sup>st</sup> March, 2016, compared to last year of Rs. 85,73,754. The Net Profit ratio for the year ended on 31<sup>st</sup> March, 2016 is 8.64% compared to last year was 4.37%.

**SME IPO:** Considering the future prospect of the Business and the requirement for the infusion of fund, Your Directors consider the avenues for the same. Your Directors consider the Initial Public Offers as one of the avenues for infusion of funds and listing of equity shares on SME platform of the Stock Exchange for better liquidity to the shareholders and disclosure for stakeholders.

### Reserves:

No amount is transferred to the reserves by the Company.



### Factory

**Dividend:**

Your directors recommend dividend @2.5% of Rs. 450,035/- i.e. Rs. 0.25 per share for the year ended 31<sup>st</sup> March, 2016.

**Business:**

During the year under review, there is no change in the business activities of the Company.

**Material changes and commitment occurred after the end of Financial Year and up to the date of Report:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and upto the date of this report.

**Subsidiary Company:**

The Company does not have subsidiary company or Joint Venture Company or Associate Company.

**Adequacy of Internal Control System:**

There is an adequate internal control system including Internal Finance Control system in the Company with reference to process and working operations.

**Deposits:**

The Company has neither accepted nor renewed any deposits during the year under review to which the provisions of the Companies (Acceptance of Deposits) Rules 2014 applies.

**Loans, Guarantees or Investments made under section 186 of the Companies Act, 2013:**

Pursuant to provisions of section 186 of the Companies Act, 2013, during the year under review, no loan or guarantee given or investment made by the Company.

**Share capital:**

During the year under review, there are no change in the Authorised share capital and paid up share capital of the Company.

**Transfer to Investor Education & Protection Fund:**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no amount required to be transferred to Investor Education & Protection Fund.

**Annual Evaluation:**

The provision of Companies Act, 2013 and rules thereof are not applicable to the Company.

**Directors:**

During the year, your Board of Directors has re-appointed Managing Director and Whole Time Director.

**Board Meetings:**

During the year Six Board Meetings were convened and held during the year.

**Director's Responsibility Statement:**

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

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the year under review;
3. That 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 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts on a going concern basis.
5. That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Independent Director's Declaration:**

The provisions relating to appointment of independent directors are not applicable to the Company.

**Re-Appointment of Independent Director [Section 149 (10)]:**

The provisions relating to appointment of independent directors are not applicable to the Company.

**Audit Committee :**

The Company is not required to constitute Audit Committee since the provisions of section 177 of the Companies Act, 2013 are not applicable.

**Nomination and Remuneration Committee and Company's Policy On directors' appointment and remuneration:**

The Company is not required to constitute Nomination and Remuneration Committee as the provisions of section 178 of the Companies Act, 2013 are not applicable.

**Auditors:**

M/s. Naresh & Co., Chartered Accountants, bearing (ICAI Registration Number: 106928W) who are the statutory auditors of the Company, hold office, in accordance with the provisions of the Act up to this Annual General Meeting and from whom necessary consent has been obtained under section 141 of the Companies Act, 2013 are eligible for re-appointment as required under the provisions of Section 139 of the Companies Act, 2013 and the directors recommend ratification of their appointment at next Annual General Meeting and at a remuneration as may be decided by the Board. The Company has received the necessary eligibility certificate from the Auditors.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

**Secretarial Audit:**

The provisions of Section 204 relating to Secretarial Audit are not applicable to the Company.

**Explanations on Qualifications/ Adverse Remarks contained in the Audit Report:**

There was no qualification, reservations or adverse remarks made by the Auditors in their report.

**Litigation Pending:**

Central Sales Tax Demand unpaid Rs. 32,91,032 for FY 2006-07.

(Matter is pending in appeal before the Appellate Tribunal of Sales Tax.)

**Risk Management Policy:**

The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

**Corporate Social Responsibility (CSR):**

The provisions of Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2013 is not applicable to the Company.

**Disclosure under the Sexual Harassment of Women at workplace (Prevention Of, Prohibition and Redressal) Act, 2013**

The Company has in place an anti Sexual Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

**Conservation of Energy, Technology Absorption and Foreign Earnings and Outgo**

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

**(A) Conservation of energy:**

Steps taken / impact on conservation of energy, with special reference to the following:

- (i) steps taken by the company for utilizing alternate sources of energy including waste generated :NIL

**(B) Technology absorption:**

1. Capital Investment in Ice Plant and other plant and machinery has resulted in cost reduction.  
The Company has not taken any technical know how from anyone and hence not applicable.
2. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

The Company has not imported any technology and hence not applicable.

3. Expenditure incurred on Research and Development :

The Company has not incurred any expenditure on research and development.

(C) Foreign exchange earnings and Outgo

PARTICULARS	Amt (In Rs.)
Foreign Exchange earned in terms of actual inflows during the year	1,85,32,305
Foreign Exchange outgo during the year in terms of actual outflows	1,59,13,822

**Statement under Rule 5 (2) Of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

There is no employee in the Company drawing remuneration aggregating to Rs. 8.50 lacs or above per month or Rs. 1.02 crore or above per annum.

**Disclosure on establishment of Vigil Mechanism:**

Since Companies, which accept deposits from the public and which have borrowed money from banks and public financial institutions in excess of Rs. 50 crores, according to the Companies Act, 2013 related to Vigil Mechanism activities is not applicable to the Company.

**Disclosure in respect of scheme formulated under section 67(3) of the Companies act, 2013:**

Since the Company has not formulated any scheme in terms of Section 67(3) of the Companies Act, 2013.

**Disclosures pursuant to section 197 (12) of the Companies act, 2013 and the rules made thereunder:**

The Company being unlisted public limited company, the provisions relating to disclosure under section 197(12) of the Companies Act, 2013 are not applicable to the Company.

**Disclosures pursuant to section 197 (14) of the Companies act, 2013:**

None of the Directors of the Company is in receipt of any commission from the Company.

**Related Parties Transactions:**

The particulars of transactions or contracts entered or arrangements made with related parties pursuant to provisions of section 188 of the Companies Act, 2013 is provided in **Annexure A** (in the format AOC-2) and is attached to this Report.

**Extract of Annual Return:**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is provided in **Annexure B** (in the format MGT9) and is attached to this Report.

**Significant and material order passed by the Regulators/ courts:**

During the year, no significant and material order was passed by the Regulators or courts.



**Acknowledgments:**

The Board takes this opportunity in expressing their gratitude to the bankers to the Company. The Board also acknowledges the continuous support received from its shareholders, stakeholders and employees of the Company.

Place: Vadodara  
Date: 01.08.2016



On behalf of the Board  
For Chemcrux Enterprises Limited

Chairman  
GIRISH SHAH  
DIN: 00469291