

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

24TH

ANNUAL REPORT

2013-2014

INDO EURO INDICHEM LIMITED

(Previously known As RinkuPolychem Ltd)

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24TH ANNUAL REPORT

2013– 2014

BOARD OF DIRECTORS

Mr. Vardhman C. Shah	Chairman & Managing Director
Mr. Jaysukh C. Shah	Executive Director
Mr. Akshit B. Lakhani	Executive Director
Mr. Paresh M. Valani	Independent Director
Mr. DipakKumar P. Pandya	Independent Director
Mr. Vinayak T. Sarkhot	Independent Director (resigned w.e.f. May 30, 2014)

REGISTERED OFFICE

B-9 to B-16 MIDC,
Osmanabad,
Maharashtra- 413501.

CORPORATE OFFICE

78/C, TheDawnBuilding, 1st Floor
7th Golibar Road, Santacruz East,
Mumbai – 400 055

AUDITORS

M/s V.S.Lalpuria& Co.
Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENTS

M/s.SHAREX INDIA PVT.LTD.
17/B, DenaBankBuilding, 2nd Floor,
Horniman Circle, Fort, Mumbai – 400001.

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of Indo Euro Indchem Limited (previously known as RinkuPolychem Limited) will be held on Monday, 29th day of September, 2014 at 05.00 P.M. at B-9 to B-16, Osmanabad – 413501, Maharashtra, India, to transact the following business, with or without modifications.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2014, the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Akshit B. Lakhani (DIN : 00334241), Director of the Company, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To consider if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s V.S.Lalpuria & Co., Chartered Accountants (Firm Registration No. 105581W), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twenty Seventh Annual General Meeting (AGM) of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

4. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

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“RESOLVED THAT pursuant to the provision of Section 14 and all other provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Paresh M. Valani, Director (DIN: 05235367), who is existing independent director and being fit for appointment as an Independent Director under the provisions of Companies Act, 2013 and is consented to become Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to March 31, 2019.”

6. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Dipakkumar P. Pandya, Director (DIN: 03434486), who is existing independent director and being fit for appointment as an Independent Director under the provisions of Companies Act, 2013 and is consented to become Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to March 31, 2019.”

By the Order of the Board of Directors
For INDO EURO INDICHEM LIMITED

Date: September 05, 2014
Place: Mumbai

Sd/-
Mr. Vardhaman C. Shah
Chairman
(DIN No. 00334194)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING AND ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. Pursuant to Seciton 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding fifty (50) members and holding in the aggregate not more than ten percent of total share capital of the Company. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. Proxies submitted on behalf of the Company, societies must be supported by appropriate resolution/authority, as applicable.
2. The explanatory statement pursuant to section 102 of the Companies Act, 2013 in respect of Special Businesses is annexed hereto.
3. The members are requested to notify immediately changes, if any, in their registered address to the Company"s Registrar & Share Transfer Agent M/S Sharex India Pvt. Ltd., 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Mumbai – 400001, email ID: sharexindia@vsnl.com.
4. Members who hold Shares in Dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for easy identification at the meeting and number of shares held by them.
5. The Share Transfer Books and the Register of Members will remain closed from Saturday, the 27th of September 2014 (9.30 a.m) to Monday, 29th September 2014(5.30 p.m)(both days inclusive).
6. At the ensuing Annual General Meeting Mr. Akshit B. Lakhani Director, retires by rotation and being eligible offers himself for re-appointment, the brief resume of this director is as under:

Name	Mr. Akshit B. Lakhani
Age	29 years
Qualification	M.com
Expertise in Specific Area	Trading & Administration
Date of First Appointment on the Board of the Company	1 st March, 2011
Name(s) of the other companies in which Directorship held and Committee Membership/Chairmanship held.	Refer to Report on Corporate Governance.

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7. Shareholders desiring any information as regards to the Accounts are requested to write to the Company at least Seven days in advance of the Annual General Meeting so that the information, to the extent practicable, can be made available at the Annual General Meeting.
8. **Green initiative in Corporate Governance:** The Government Of India, Ministry Of Corporate Affairs (MCA) vide its circular no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 has taken a "Green Initiative" and has allowed companies to make service of documents including Annual Report, Audited Financial Statements, Director's Report, Auditor's Report, etc. to the members through the electronic mode, to the registered email addresses of the members. This is a golden opportunity to contribute to our Nation at large. All you have to do is to register your e-mail address with the company to receive communication through the electronic mode.
9. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.30 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

By the Order of the Board of Directors
For INDO EURO INDICHEM LIMITED

Date: September 05, 2014
Place: Mumbai

Sd/-
Mr. Vardhaman C. Shah
Chairman
(DIN No. 00334194)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

The following statement sets out all material facts relating to the business under Item Nos. 3 to 6 mentioned in the accompanying Notice:

Item No. 3

This explanatory statement is provided though strictly not required as per section 102 of the Act.

Mr. V.S. Lalpuria (M. No. 15926), Proprietor of M/s V. S. Lalpuria & Co., Chartered Accountants (Firm Registration No. 105581W), Mumbai were appointed as the statutory auditors of the Company for financial year 2013-14 at the Annual General Meeting (AGM) of the Company held on September 30, 2013.

As per the provisions of section 139 of the Act, no company can appoint or re-appoint an Individual firm as auditor for more than five consecutive years. Section 139 of the Act has also provided for compliance from the date of commencement of the Act. In view of the above, Mr. V.S. Lalpuria (M. No. 15926), Proprietor, being eligible for re-appointment, the Board of Directors has, at its meeting, proposed the appointment of Mr. V.S. Lalpuria (M. No. 15926), Proprietor. as the statutory auditors of the Company for a period of Three years to hold office from the conclusion of this AGM till the conclusion of the Twenty Seven AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM).

The Board recommends the Resolution at Item No. 3 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

Item No. 4

The Articles of Association "AOA" of the Company as presently in force was adopted at the time of incorporation of the Company. The existing AOA are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Act.

The Act is now largely in force and with the coming into force of the Act several regulations of the existing AOA of the Company require alteration or deletion in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of Articles based on Table F of the Act as applicable to Private Limited Company limited by shares.

Thus, it is proposed to adopt new set of AOA of the Company as mentioned in the Resolution. A copy of new set of Articles of Association of the Company is available for inspection by the members of the Company at its registered office between 11.00 a.m. to 4.30 p.m. on any working day.

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None of the Directors of the Company or their relatives or Key Managerial Persons of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the special resolutions set out in at Item No. 4 of the Notice.

Item No. 5&6

The Provisions of Companies Act, 2013 with respect to appointment and tenure of the Independent Directors has come into effect. As per the provisions of Companies Act, 2013, Independent Directors shall be appointed for not more than two terms of five years each and that the Independent Directors shall not be liable by rotation at every Annual General Meeting. Directors who have already served the Company as Independent Directors for more than five years, as on 1st October, 2014 shall be eligible for appointment for not more than one term of five years as provided under clause 49 of Listing Agreement as amended by SEBI circular dated 17th April, 2014.

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013. Accordingly, the Independent Directors will serve a maximum of two tenures of five years each on the Board of the Company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Paresh M. Valani and Mr. Dipakkumar P. Pandya, being eligible have offered themselves for appointment as Independent Directors on the Board of the Company.

Brief Profile of Directors is as follows:-

Name of Director	Mr. Paresh M. Valani	Mr. Dipakkumar P. Pandya
Date of Birth	01 st July, 1967	01 st August, 1951
Date of Appointment of Director	19 th March, 2012	01 st March, 2011
Expertise in specific Functional area	Sales	Marketing
Qualifications	Higher Secondary	BSC
Directorship	Independent Director	Independent Director
Shareholding of Director in the Company	Nil	Nil

The Company has received notices from Mr. Paresh M. Valani and Mr. Dipakkumar P. Pandya (i) consent in writing to act as Director in form Director in Form DIR-2 pursuant to Rule 8 of Company (Appointment & Qualification of Directors) Rules 2014 (ii) intimation in Form Dir-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified from being appointed as Directors under sub-section (2) of section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that they met the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Paresh M. Valani and Mr. Dipakkumar P. Pandya fulfill the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as Independent

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Directors of the Company. Copy of the draft letter of Appointment of Independent Directors setting out their terms and conditions would be available for inspection at the registered office for inspection at the registered office of the Company during business hours on any working day up to the date of AGM.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than Mr. Paresh M. Valani and Mr. Dipakkumar P. Pandya, for their respective appointments, is concerned or interested, financial or otherwise, in these Resolutions. The Board recommends the Ordinary Resolution set out in Item , 6 & 7 for approval of Members

By the Order of the Board of Directors
ForINDO EURO INDICHEM LIMITED

Date: September 05, 2014
Place: Mumbai

Sd/-
Mr. Vardhaman C. Shah
Chairman
(DIN No. 00334194)

DIRECTORS' REPORT

TO
THE MEMBERS
INDO EURO INDICHEM LIMITED
MAHARASHTRA

Your Directors have pleasure in presenting the **TWENTY FOURTH ANNUAL REPORT** of the Company together with the audited statement of accounts of the Company for the year ended on March 31, 2014.

FINANCIAL HIGHLIGHTS:

	For the year ended on 31.03.2014	For the year ended on 31.03.2013
Total Income	15,776,581	47,213,696
Total Expenditure	17,435,927	44,566,743
Profit / (Loss) before Taxation	(1,659,346)	26,46,953
Provision for Tax	932,977	652,961
Deferred Tax	(901,212)	(668,141)
Profit / (Loss) after Taxation	976,961	2,039,135
Balance Carried to BS	976,961	2,039,135

OPERATIONAL REVIEW:

The Sales for the period ended March 31, 2014 were at Rs. 15,639,112/- as against Rs. 46,424,875/- for the previous year ended March 31, 2013. The Profit / (Loss) after tax for March 31, 2014 is Rs. 976,961/- as against profit of Rs. 2,039,135/- for the previous year ended March 31, 2013.

LISTING OF EQUITY SHARES OF COMPANY ON BOMBAY STOCK EXCHANGE:

The Board is pleased to inform that the Bombay Stock Exchange has revoked the suspension on the trading of shares of the Company. The Company has received the listing permission from the Bombay Stock Exchange for trading of its shares on its stock exchange and the trading in equity shares begins w.e.f 9th July, 2013 on the Bombay Stock Exchange.

DIVIDEND:

In view of the revival of the company's operation, your Directors have decided not to recommend any dividend on account for the year under operation.

MANAGEMENT DISCUSSION AND ANALYSIS:

As required by clause 49 of the Listing Agreement with the Stock Exchange, a Management Discussion and Analysis Report are appended.

DIRECTORS:

Mr. Akshit B. Lakhani and, retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Your Directors recommend his re-appointment.

The Company has two independent Directors, appointed under the Listing Agreement, namely Mr. Paresh M. Valani and Mr. Dipakkumar P. Pandya, who have diverse business/administrative experience and are making significant contribution to the Company. At present, they are liable to retire by rotation. It is proposed to appoint them as Independent Directors, with a fixed tenure of upto five years each at the ensuing Annual General Meeting of the Company, subject to approval of the shareholders, in terms of Section 149 of Companies Act, 2013 (the Act). All abovementioned Independent Directors have also given declarations that they meet the criteria of independence as provided in sub-section 6 of Section 149 of the Act.

PERSONNEL:

There were no employees during the year or part of the year drawing remuneration, which falls within the preview of the provisions of Section 217 (2A) of the Companies Act 1956.

AUDITORS:

The Auditors M/s V.S. Lalpuria & Co., Chartered Accountants, Mumbai hold the office until the conclusion of ensuing Annual General Meeting. Your company has received certificate from the Auditors u/s. 139(2) of the Companies Act, 2013 to the effect that their reappointment if made, shall be in accordance with prescribed conditions and the said Auditors satisfy the criteria provided in Section 141 of the Companies Act, 2013.

AUDITORS' REPORT:

The observation made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call, any further comments under Section 217 of the Companies Act 1956.

Remarks by Auditor

1. (I.a) - The Company is in process of completion of the records.
2. III – The Register u/s 301 is not complete and upto date as on the date of the report.
3. VII – The Company is strengthening its internal audit system and internal checks system to commensurate with the size of the Company.

FIXED DEPOSITS:

The Company has not invited / accepted / renewed any fixed deposits as per the provisions of Section 58 A of the Companies Act 1956 from the public during the year under review.

CORPORATE GOVERNANCE:

A separate report on the Corporate Governance and Management Discussion & Analysis is attached as a part of the Annual Report. The Auditors' Certificate regarding compliance of the conditions of Corporate Governance is also annexed.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 217 (2AA) of the Companies Act 1956, the directors would like to state that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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 of the Company for the year under review.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the Annual Accounts on a going concern basis.

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

Information relating to Conservation of Energy, Technology absorption and Foreign Exchange Earning and Outgo as stipulated under Section 217 (1) (e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is set out in the separate statement, attached to this report & forms part of it.

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ACKNOWLEDGEMENTS:

Your Company & its Directors wish to extend their sincerest thanks to the Bankers, State Government, Customers, Suppliers and Staff for their continuous co-operation & guidance.

By the Order of the Board of Directors
ForINDO EURO INDICHEM LIMITED

Date: May 30, 2014
Place: Mumbai

Sd/-
Mr. Vardhaman C. Shah
Chairman
(DIN No. 00334194)

ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217 (1) (e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988.

A. CONSERVATION OF ENERGY

The capacity of the plant utilized partially, so there was no need to use Generator.

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY.

Sr. No.	Particulars	31.03.2014	31.03.2013
1.	Electricity		
a.	Purchased Units	-----	-----
	Total Amount in Rs.	-----	-----
	Average Rate	-----	-----
b.	Own Generation	-----	-----
	Unit per litre of Diesel	-----	-----
	Cost per unit	-----	-----
2	Coal Specify quality where used	-----	-----
	Quantity (Tonnes)	-----	-----
	Total Cost	-----	-----
	Average Cost	-----	-----
3	Furnance oil	-----	-----
	Quantity (Lits)	-----	-----
	Total Amount	-----	-----
	Average Rate	-----	-----

B. TECHNOLOGY ABSORPTION

Indigenous technology is used. Continuous efforts are being made to improve the quality.

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C. FOREIGN EXCHANGE EARNING AND OUTGO:

Total Foreign Exchange Used: NIL

Total Foreign Exchange Earned: NIL

By the Order of the Board of Directors
For INDO EURO INDICHEM LIMITED

Date: May 30, 2014
Place: Mumbai

Sd/-
Mr. Vardhaman C. Shah
Chairman
(DIN No. 00334194)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on March 31, 2014.

INDUSTRY STRUCTURE, DEVELOPMENT:

Indo Euro Indchem Limited (Previously known as RinkuPolychem Limited) is operating in Pigment and Organic Chemical. RPL continues to build strong relationships with key customers.

PERFORMANCE

The Company is doing trading business in poultry feed and organic chemicals. Company is looking for trying to explore the overseas market for exporting chemical products.

SEGMENT-WISE PERFORMANCE:

The Company is into chemical and poultry feed chemicals.

OPPORTUNITIES AND THREATS

The fundamental growth drivers of the country's economy as well as chemical industry continue to remain strong despite the pressures of slowdown and inflationary conditions prevalent till recently in the nation and also globally. The Chemical Industry in the country is continuously attracting investments from domestic and foreign investors. The Indian economy is expected to grow between 7% to 8 % during this fiscal.

The threats to the segments in which the company operates are volatility in Exchange rate, pricing pressure arising due to competition from low cost suppliers, technology upgradation, severe competition among competitor and newly emerging competitive nations and stricter environment laws. Further, the Indian economy is now integrated with the world economy to a very large extent and therefore vulnerable to the direct impact of such a slowdown; such an impact could adversely affect the Company's performance as well. Therefore, the company has decided to close down the manufacturing activity, concentrate on the trading, and look for other opportunities in the Exportmarket.

STRENGTH

The existing management has a strong technical knowledge and experience in the chemical industry. Mr. Vardhman Shah, Chairman and Managing Director is an entrepreneur and is having vast knowledge and expertise in handling various business including the chemical business. Mr. Jaysukh Shah, one of executive director has vast experience and expertise in research and development of chemical industry. Mr. AkshitLakhani is a young entrepreneur and MrDipakkumar P. Pandya has rich experience in marketing. Mr. PareshMaganlalValaniis an independent director.

RISKS AND CONCERNS

Your company is working essentially in global market place. Currently the MIDC is not able to provide the common Effluent Treatment plant which is necessary for the Manufacturing of the pigments and also necessary from the environment point of view, also the infrastructure provided at the MIDC like Water is not available and hence it causes a huge increase in manufacturing cost because of which we cannot be competitive in the market.. However the capability of providing quality services, timely completing of projects and the excellent performance will provide the competitive edge to the Company's business in this sector.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. The management is ensuring an effective internal control system to safeguard the assets of the company. Efforts for continued improvement of internal control system are being consistently made in this regard.

HUMAN RESOURCES VIS-À-VIS INDUSTRIAL RELATIONS

The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The industrial relations with workers at plant and officers are cordial during the year under review. All issues pertaining to staff matters are resolved in harmonious and cordial manner.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws, and other statutes and other incidental factors.

By the Order of the Board of Directors
For INDO EURO INDICHEM LIMITED

Date: May 30, 2014
Place: Mumbai

Sd/-
Mr. Vardhaman C. Shah
Chairman
(DIN No. 00334194)

CORPORATE GOVERNANCE REPORT

The company pursuant to the code on Corporate Governance introduced by the Securities and Exchange Board of India [SEBI] furnishes its report as under:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy is to aim at the highest levels of quality management through transparency and commitment to all the stakeholders viz. its shareholders, employees, Government, lenders (Banks/Financial Institutions) and the promoters.

BOARD OF DIRECTORS:

The Board of Directors provides the strategic direction and thrust to the operations of the Company. The Board has an Executive Chairman, Two (2) Executive Directors and Two (2) Independent Directors.

BOARD PROCEDURES:

The Managing Director prepares the agenda in consultation with the Board of Directors and the Chairman of the various committees. The agenda for the meetings of the Board and its Committees, together with the appropriate supporting documents, are circulated well in advance of the meetings. The meetings are held at the Registered Office of the Company.

ATTENDANCE AT BOARD MEETING:

During the year under review, the Board of Directors met **5 (Five) times** on **30th May, 2013, 14th August, 2013, 01st September, 2013, 15th November, 2013, and 15th February, 2014.**

The attendance record of the Directors at each Board meeting, and the last Annual General Meeting held on **30th September, 2013** is given below:

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Name of Director	Type of Director	Board Meeting Attended	AGM Attended	No. of Committee Memberships held (excluding Private Cos.)	No. of outside Directorships Held (excl. Private Cos.)
Mr. Vardhaman C. Shah	Chairman & MD	5/5	Yes	NIL	NIL
Mr. Jaysukh C. Shah	Executive Director	5/5	Yes	NIL	NIL
Mr. Akshit B. Lakhani	Executive Director	5/5	Yes	NIL	NIL
Mr. Dipakkumar P. Pandya	Independent Director	5/5	NIL	NIL	NIL
Mr. Paresh M. Valani	Independent Director	5/5	NIL	NIL	NIL

BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT:

A brief resume of Directors seeking re-appointment at the 24th Annual General Meeting is given in notes to the Annual Report.

AUDIT COMMITTEE:

The Audit Committee consists of 3 Executive Director viz.

Sl. No.	Name	Category of Membership
1.	Mr. Akshit B. Lakhani	Chairman
2.	Mr. Dipakkumar Pandya	Member
3.	Mr. Paresh Valani	Member

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with the stock exchanges.

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During the year under review, the Audit Committee met 4(Four) times on **30th May, 2013, 14th August, 2013, 15th November, 2013, and 15th February, 2014.** The Attendance of Directors at the Audit Committee Meetings held during the year ended March 31, 2014 is given below:

Sl. No.	Name	Meetings Held	Meetings Attended
1.	Mr. Jaysukh C. Shah	4	4
2.	Mr. Vardhaman C. Shah	4	4
3.	Mr. Akshit B. Lakhani	4	4

**SHAREHOLDERS/INVESTORS GRIEVANCE AND SHARE TRANSFER COMMITTEE
CONSIST OF 3 EXECUTIVE DIRECTOR VIZ.**

Sl. No.	Name	Category of Membership
1.	Mr. Jaysukh C. Shah	Chairman
2.	Mr. Vardhaman C. Shah	Member
3.	Mr. Akshit B. Lakhani	Member

The Committee oversees the performance of share transfer and recommends measures to improve the shareholders/investors service. The committee meets from time to time and approves the transfer and transmission of shares, deletion of names, issue of duplicate share certificates etc. The Committee facilitates prompt and effective redressal of investor's complaints and the reporting of the same to the Board of Directors. Mr. Vardhaman C. Shah is the Compliance officer.

REMUNERATION COMMITTEE:

The Remuneration Committee comprise of three Directors viz:

Sl. No.	Name	Category of Membership
1.	Mr. Akshit B. Lakhani	Chairman
2.	Mr. DipakkumarPandya	Member
3.	Mr. PareshValani	Member

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The terms of reference of the Remuneration Committee are as per the guidelines set out in the Listing Agreement with the stock exchanges that include determination of the Company's policy on specific remuneration packages for Directors.

The Non-executive Directors are not paid commission nor the sitting fees for attending meetings of the Board or Committee thereof. No Remuneration Committee Meeting held during the year ended March 31, 2014.

GENERAL BODY MEETINGS:

(i) The particulars of Annual General Meetings held during the last three years are as under:

Year	Date and Time	Venue
2013	30 th September, 2013 1.00 p.m.	Registered Office : B-9 to B-16, M.I.D.C., Osmanabad – 413501
2012	29 th September, 2012 1.00 p.m.	Registered Office : B-9 to B-16, M.I.D.C., Osmanabad – 413501
2011	30 th September, 2011 10.00 a.m.	Registered Office : B-9 to B-16, M.I.D.C., Osmanabad – 413501

(ii) The particulars of Extra-Ordinary General Meetings held during the last three years are as under:

Year	Date and Time	Resolution Passed
2013	--N.A.--.	--N.A.--.
2012	--N.A.--.	--N.A.--.
2011	5 th May, 2011, 10.00 a.m.	Change of Name from RinkuPolychem Limited to Indo Euro Indchem Limited.

(iii) Special Resolution passed in the previous three Annual General Meeting

Year	Date and Time	Special Resolution Passed
2013	--N.A--	--N.A--
2012	--N.A--	--N.A--
2011	5 th May, 2011, 10.00 a.m.	Change of Name from RinkuPolychem Limited to Indo Euro Indchem Limited.

(iv) Postal Ballot

No postal ballot was conducted in the year 2013. As on date, the Company does not have any proposal to pass any special resolution by way of postal ballot.

DISCLOSURES:

- a. Related Party Transactions: Disclosure on transaction(s) with related party as required under Accounting Standard 18 has been incorporated in the Notes to the Accounts.
- b. There have been no instances of non-compliance with Stock Exchange (except those related to delay in furnishing of quarterly results and related communication) or SEBI regulations, nor any cases of penalties or strictures imposed by any Stock Exchange or SEBI or any statutory authority for any violation related to Capital Markets during the last three years except fees imposed by the Bombay Stock Exchange for revocation of suspension of trading.
- c. The Company has complied with the requirements of the Listing Agreement with the Stock Exchanges as well as with the Regulations of the Securities and Exchange Board of India, subject to note (b) above.
- d. Our risk management procedures ensure that the management control risks through means of a properly defined framework.

e. Whistle Blower Policy

Our whistle blower policy encourages disclosure in good faith of any wrongful conduct on a matter of general concern and protects the whistle blower from any adverse personnel action. The Company's personnel have not been denied access to the Audit Committee.

f. Secretarial Audit

A qualified practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Company has submitted an application with CDSL and NSDL for admission of its securities with them.

Details of Companies with mandatory requirements and adoption of the non -mandatory requirements of this clause.

The Company has complied with all the mandatory requirements. As regards the non -mandatory requirements they are complied with to the maximum extent.

g. CEO Certification

As provided under Listing Agreement with the Stock Exchanges the Director of the Company has certified to the Board in compliance with the CEO/CFD certification.

h. Code of Conduct

The code of Conduct for all the members of the Board and senior management of the Company has been prepared.

GENERAL INFORMATIONS TO SHAREHOLDERS

(i)	Annual General Meeting Date, Time and Venue	Monday Date : 29 th September 2014 Time: 5.00 P.M. Venue : B-9 to B-16, M.I.D.C., Osmanabad – 413501
(ii)	Financial Calendar (tentative)	1 st April 2013 to 31 st March, 2014
(iii)	Date of Book Closure	Saturday, 27 th September 2014 to Monday, 29 th September 2014 (both days inclusive)
(iv)	Dividend Payment Date	Not applicable
(v)	ISIN No. for ordinary shares of the company in Demat form	INE319N01019

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

(vi)	Registered Office	B-9 to B-16, M.I.D.C., Osmanabad – 413501, India
(vii)	Registrar and Transfer Agent	M/s. SHAREX INDIA PVT.LTD. 17/B, DenaBankBuilding, 2 nd Floor, Horniman Circle, Fort, Mumbai – 400 001. Phone No. 022-22702485, email ID: sharexindia@vsnl.com .
(viii)	Investor Correspondence	B-9 to B-16, M.I.D.C., Osmanabad – 413501, India
(ix)	Means of Communication	The Quarterly Financial Results have not been published in English and vernacular newspapers. The Company has its own website www.indoeuroindchem.com wherein the financial results, Annual Reports and other material information for the information of investors are uploaded.
(x)	Any Website where it displays official releases	www.indoeuroindchem.com
(xi)	Any presentation made to the institutional investor and analyst	No
(xii)	Is half yearly report sent to the shareholders	No
(xiii)	Whether Management Discussion and Analysis is a part of this report	Yes
(xiv)	Share Transfer System	The work of physical share transfer is handled by Registrar and Transfer Agent. Physical share transfers are normally processed within a period of 25 – 30 days.
(xv)	Listing and Stock Code	Bombay Stock Exchange Scrip Code No 524458 AhmedabadStock Exchange VadodaraStock Exchange CalcuttaStock Exchange Chennai Stock Exchange
(xvi)	Stock Data	Available *

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

***Stock Data**

Monthly High / Low of Market price of Company's Equity Shares traded on the Stock Exchange Mumbai during the financial year ended on March 31, 2014 was as under:

Month	High	Low
April 2013	-	-
May 2013	-	-
June 2013	-	-
July 2013	2.40	2.40
August 2013	3.85	2.52
September 2013	4.62	4.04
October 2013	5.57	4.71
November 2013	6.25	5.68
December 2013	6.56	6.56
January 2014	11.64	6.88
February 2014	11.59	10.02
March 2014	14.75	12.04

Shareholding Pattern as on March 31, 2014

Category	No. Of Shares Held	% Of Holding
A. Promoters and Promoters Group Holding		
1. Individuals /HUF	49,64,700	54.831
2. Bodies Corporate (Including foreign promoter)	-	-
Total (A)	49,64,700	54.831
B. Non Promoters Holding		
1. Financial Institutions/Banks	54,500	0.602
2. Foreign Institutional Investors	-	-
3. Non Institution Corporate Bodies	1,60,050	1.768
4. Indian Public/Trusts/Clearing Members	38,01,050	41.980
5. NRIs & Foreign Nationals	74,200	0.819
Total (B)	40,89,800	45.169
Total (A+B)	90,54,500	100.00

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

Distribution Schedule As On March 31, 2014

Holding of nominal value of Shares	No. of Shareholders	% of Shareholders	No of shares	% of Shares
Upto 5000	4468	86.49	836150	9.23
5001 to 10000	325	6.29	278800	3.08
10001 to 20000	156	3.02	250700	2.77
20001 to 30000	50	.97	129900	1.43
30001 to 40000	20	.39	72200	.80
40001 to 50000	14	.27	67100	.74
50001 to 100000	30	.58	230550	2.55
100001 & above	103	1.99	7189100	79.40
Total	5166	100.00	9054500	100.00

By the Order of the Board of Directors
For INDO EURO INDICHEM LIMITED

Date: May 30, 2014
Place: Mumbai

Sd/-
Mr. Vardhaman C. Shah
Chairman
(DIN No. 00334194)

DECLARATION

ANNUAL DECLARATION BY DIRECTOR PURSUANT TO CLAUSE 49 (i) (d) (ii) OF THE LISTING AGREEMENT

I, Vardhaman C. Shah, as the Director of **INDO EURO INDICHEM LIMITED** and as required by Clause 49 (i) (d) (ii) of the Listing Agreement, I, Vardhaman C. Shah, as the Director, hereby declare that all the Board Members and the Senior Management personnel of the Company have affirmed Compliance with the Company's Code of Business Conduct and Ethics, for the Financial Year 2013- 2014.

By the Order of the Board of Directors
For INDO EURO INDICHEM LIMITED

Date: May 30, 2014
Place: Mumbai

Sd/-
Mr. Vardhaman C. Shah
Chairman
(DIN No. 00334194)

CEO / CFO CERTIFICATION

To,
The Board of Directors,
Indo Euro Indchem Limited
Mumbai

We certify that:

- We have reviewed the financial statements and cash flow statement for the financial year ended March 31, 2014 and that to the best of our knowledge and belief:
 - these statement do not contain any material untrue statement or omit any material fact or contain statements that might be misleading
 - 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.
- There are, to the best of our knowledge and belief, no transaction entered into by the Company during the period, which are fraudulent, illegal or violate the Company's Code of Conduct.
- We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors & the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies
- We have indicated to the Auditors and the Audit Committee that:
 - significant changes in the Internal Control Process during the year.
 - significant changes in Accounting Policies during the year.
 - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting .

This statement is in accordance with the fact that the Board including the Audit Committee shall provide the necessary superintendence and control over the Managing Director.

By the Order of the Board of Directors
For INDO EURO INDICHEM LIMITED

Date: May 30, 2014
Place: Mumbai

Sd/-
Mr. Vardhaman C. Shah
Chairman
(DIN No. 00334194)

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Indo Euro Indchem Limited
Mumbai

We have examined the compliance of conditions of Corporate Governance by **INDO EURO INDICHEM LIMITED** *(Previously Known as RinkuPolychem Ltd)* for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. We further state that the company has not appointed a company secretary.

In our opinion, and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above-mentioned Listing Agreement save as delay in filing some of the quarterly documents with the Stock Exchanges.

We further state that such compliance certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For V.S.Lalpuria & Co.
Chartered Accountants

Sd/-
(V S Lalpuria)
Proprietor

Membership No. 015926

Place: Mumbai
Date: **May 30, 2014**

AUDITOR'S REPORT

To the Members of

INDO EURO INDCHEM LTD.

MUMBAI

Report on the Financial Statements

We have audited the accompanying financial statements of **INDO EURO INDCHEM LIMITED** formerly known as (Rinku Polychem Limited) ("the Company"), which comprise the Balance Sheet as on 31st March, 2014 the Statement of Profit and Loss and Cash Flow Statement for the year than ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act,1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014.
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on the date; and
- (c) In the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4a) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by Section 227(3) of the Act, we report that :
 - a. We have obtained all the information explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as 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 Balance Sheet, the Statement of Profit and Loss, and the Cash flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;
 - e. On the basis of the written representations received from the Directors as on 31st March, 2014, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2014, from being appointed as a Director in terms of Section 274(1)(g) of the Act.

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f. Attention is drawn to the following Notes on Schedule - XV, which effects the financial statements of the Company.

- i) Note No. 3 :- Recording of Gratuity liability on cash basis contrary to AS-15 issued by the Institute of Chartered Accountants of India. If the total outstanding gratuity liabilities upto year is provided, the profit would be lower by Rs.1,96,730/- and the liabilities will also increase to that extent.
- ii) Note No. 5 :- No Contractual interest is provided on Bank Loans from Sangli Urban Co-op. Bank Ltd. @ 17% p.a. amounting to Rs.22,34,772/-, as the management is disputing the above interest liability. The Interest payable to banks shown as Short Term Loan are shown lower to the extent of Rs.2,40,68,551/- for the year and if total unprovided liability taken together with, interest amount would be Rs.3,72,14,271/-.

Considering the effect of (i) and (ii) the profit during the year would reduced by Rs.24,31,502/- and the accumulated profit will be converted into loss by Rs.1,86,45,058/-. The loss for the year will be Rs.14,54,541/-. The Debit balance in Reserve & Surplus Account will be Rs.1,86,45,058/- excepting Capital Reserve and the Short Term borrowing will be Rs.3,72,14,271/ .

g. Further attention is drawn to the following notes on Schedule XV, whose impact on the Company's financial Statements is presently not ascertainable

Note No. 9:- Share Certificates of Sangli Co-op. Bank Ltd. in which the Company has invested, but the verification of same not possible as Physical Certificates not received from Co-operative Bank. We are unable to comment of the physical receipt of Share Certificates and amount recoverable on such investment.

For V. S. LALPURIA & COMPANY.
CHARTERED ACCOUNTANTS
(Firm No. 105581W)

Place : Mumbai
Date : 30th May 2014

Sd/-
(V. S. LALPURIA)
Proprietor
Membership No.15926

ANNEXURE TO THE AUDITORS REPORT

Statement referred to in paragraph 2 of the Auditors' Report of even date to the Members of **INDO EURO INDICHEM LIMITED** formerly known as (Rinku Polychem Limited.) on the accounts for the year ended 31st March, 2014

- I. a) The Company has still to prepare records showing full particulars , including quantitative details and situation of all its fixed assets.
- b) As informed to us, the fixed assets of the Company were physically verified by the management during the financial year and according to the information and explanations given to us, no material discrepancies were noticed on physical verification carried out during the financial year and all assets exist are in good condition.
- c) In our opinion and according to the information and explanations given to us the Company has disposed-off major assets during earlier year and have utilised the money received for business, thus may not affect on the going concern status.
- II. a) As per the information furnished , the inventories have been physically verified during the year at reasonable interval by the management.
- b) In our opinion the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of the inventory records of the Company, we are of the opinion that the Company is maintaining proper records of inventory. As informed no discrepancies were noticed on physical verification of stock with book record.
- III. In respect of loans, secured or unsecured granted by the Company from and to Companies, Firms or other parties no upto date register under section 301 of the Companies Act, 1956 are maintained by the Company however the management has assured to complete the records.
- a) The Company has granted loans to eleven parties related to Directors, the maximum loan amount outstanding as Rs.6,57,60,404/- and the year end balance is Rs.6,11,75,404/-(Incl. Interest Free Loan of Rs.4,50,000/-)
- b) In our opinion and according to the information and explanations given to us the rate of interest and other terms and condition of the loans given by the Company are not prima facie prejudicial to the interest of the Company.
- c) The principle amounts of loans are received while the interest are credited or received annually.

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- d) In respect of the said loans and interest thereon there are no overdue amount.
- e) The Company had not taken any unsecured loans from Directors and their relatives nor updated the Register under section 301 of the Companies Act, 1956. The management is updating the record.
- IV. In our opinion and according to the information and explanations given to us, there are internal control procedures commensurate with size of the Company and the nature of its business with regards to purchases and for the sale of goods. Further on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, management is still trying to correct the weaknesses in the internal controls procedure.
- V. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions in which Directors were interested and which were required to be entered into the Register maintained under section 301 have not been updated.
- b) In our opinion and according to the information and explanations given to us, there are transactions exceeding the value of five lakhs rupees made during the year, in pursuance of contracts or arrangements which are still required to be registered in the register maintained under section 301 which have not been updated.
- VI. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 58A and 58AA or any other relevant provisions of the Act, and its rules and also the directives of Reserve Bank of India with regards to acceptance of deposits from public. No order has been passed by the Company Law Board, or National Company Law, Tribunal or Reserve Bank of India or any other Tribunal.
- VII. In our opinion, the Company has no internal audit system commensurate with the size of the Company and the nature of its business nor does it have proper and adequate internal checks system for business operation.
- VIII. We have been informed that maintenance of cost records and accounts has not been prescribed by the Central Government of India under Section 209(1) (d) of the Act.
- IX. a) As Certified by the Board of Directors, the Company is not covered under Provident Fund and Employee's State Insurance Act.
- Further according to the information and explanation given to us and we have noticed that the Company has to pay as under:-
- | | |
|---|------------|
| a) Share refund money payable to Investor Education & Protection Fund | Rs. 10,500 |
| b) Income Tax A.Y. 1998-99 | Rs. 74,582 |
| Income Tax A.Y. 2000-01 | Rs. 53,788 |

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except the above there are no undisputed amounts payable in respect of investor education and protection fund, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues wherever applicable outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.

b) As per information and explanations given to us and on the basis of our examination of the documents and records of the Company the management has informed to us that there are no disputed statutory dues pending which have not been deposited with appropriate authorities.

- X. The Company has no accumulated book losses as on 31st March, 2014, but our qualification if taken into consideration and accounted, the total losses are more than 50% of its net worth. It has not incurred any cash losses during the financial year and in the preceding financial year.
- XI. According to information and explanation given by the management the Company has defaulted in payment to Sangli Co-op. Bank Ltd. Rs.1,31,45,720/- since, 1998 (16 years), and no interest provision is made on above loans (refer note no. 5 to Note-25B) due to dispute on outstanding dues.
- XII. Based on our examination of the records and the information and explanation given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. Clause (xiii) of the Order is not applicable to the Company as the Company is not a Chit fund Company or nidhi/mutual benefit fund/society.
- XIV. In our opinion the Company is not a dealer and trader in shares, securities, debentures and other securities. Accordingly, the provisions of clause 4 (XIV) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- XV. In our opinion and according to the information and explanation given to us, the Company has not given any guarantees for loan taken by others from bank or financial institutions during the year.
- XVI. According to the information and explanations given to us, no term loans has been raised by the Company during the year.
- XVII. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no funds raised during the year on short term basis have been used for long term investment.
- XVIII. The Company has not made any preferential allotment of shares during the year.

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- XIX. During the year covered by our audit report the Company has not issued any secured debentures against securities.
- XX. The Company has not raised any money by public issues during the year covered by our report.
- XXI. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For V.S. LALPURIA & COMPANY
CHARTERED ACCOUNTANTS
(FIRM NO.105581W)

PLACE : MUMBAI
DATED : 30th May 2014

Sd/-
(V. S. LALPURIA)
PROPRIETOR
M.NO.15926

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

M/S. INDO EURO INDICHEM LIMITED
(FORMERLY KNOWN AS M/S. RINKU POLYCHEM LIMITED)
BALANCE SHEET AS ON 31ST MARCH, 2014

		(Figure in Rs.)	
PARTICULARS	NOTE NO.	31ST MARCH,2014	31ST MARCH,2013
<u>EQUITY AND LIABILITIES</u>			
<u>Shareholders Funds:</u>			
Share Capital	1	90,347,000	90,347,000
Reserves & Surplus	2	8,620,223	7,643,260
		<u>98,967,223</u>	<u>97,990,260</u>
<u>Non Current Liabilities</u>			
Long Term Borrowings	3	-	-
Deferred Tax Liabilities	4	967,420	1,868,634
		<u>967,420</u>	<u>1,868,634</u>
<u>Current Liabilites</u>			
Short Term Borrowings	5	13,145,720	13,145,720
Trade Payable	6	6,815,019	19,134,017
Other Current Liabilites	7	168,240	161,000
Short Term Provisions	8	1,023,267	994,477
		<u>21,152,246</u>	<u>33,435,214</u>
		<u>22,119,666</u>	<u>35,303,848</u>
TOTAL		<u>121,086,889</u>	<u>133,294,108</u>
<u>ASSETS</u>			
<u>Non Current Assets</u>			
Fixed Assets	9	10,024,048	12,489,188
Non Current Investment	10	4,809,900	4,809,900
Long Term Loans and Advances	11	75,498,532	66,450,755
Other Non Current Assets (See Note)	12	4,150,000	-
		<u>94,482,480</u>	<u>83,749,843</u>
<u>Current Assets</u>			
Inventories	13	7,291,933	6,676,227
Trade Receivables	14	12,701,785	24,882,625
Cash and Bank Balance	15	944,247	2,162,990
Short Term Loans and Advances	16	1,030,315	12,884,698
Other Current Assets	17	4,636,129	2,937,726
		<u>26,604,409</u>	<u>49,544,265</u>
TOTAL		<u>121,086,889</u>	<u>133,294,108</u>

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES ON FINANCIAL STATEMENTS

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FOR & ON BEHALF OF THE BOARD

PLACE: MUMBAI
DATED: 30th May 2014

Sd/-
DIRECTORS

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

M/S. INDO EURO INDICHEM LIMITED
(FORMERLY KNOWN AS M/S. RINKU POLYCHEM LIMITED)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(Figures in Rs.)				
SR NO.	PARTICULARS	NOTE NO.	31ST MARCH, 2014	31ST MARCH, 2013
I	Revenue from Operations	18	15,639,112	46,424,875
II	Other Income	19	137,469	788,821
III	Total Revenue (I + II)		15,776,581	47,213,696
IV	<u>Expenses</u>			
	Cost of Materials Consumed	20	-	-
	Purchase of Stock-in-Trade	21	15,670,101	39,962,717
	Changes in inventories of finish Work-in-Progress and Stock-in-Trade	22	(615,705)	-
	Employees benefits expenses	23	220,335	208,259
	Finance Costs	24	90,751	24,524
	Depreciation and Amortisation Expenses	9	306,856	306,856
	Other Expenses	25	1,763,589	4,064,387
	Total Expenses		17,435,927	44,566,743
V	Profit Before Exceptional and Extraordinary Item and Tax (III-IV)		(1,659,346)	2,646,953
VI	Exceptional Items (Old Listing Fees)		-	1,404,500
VII	Profit Before Extraordinary Item and Tax (V-VI)		(1,659,346)	1,242,453
VIII	Extraordinary Items		-	-
IX	Profit Before Tax (VII-VIII)		(1,659,346)	1,242,453
X	<u>Tax Expenses</u>			
	1) Current Tax (See Note)		-	241,008
	2) Deferred Tax Liability Written Back/(off)		686,997	(315,309)
	3) Earlier year tax		270	-
XI	Profit / (Loss) for the period from Continuing Operations (VII-VIII)		(2,346,612)	1,316,755
XII	Profit / (Loss) from Discontinuing Operations		2,668,341	781,502
	<u>Tax Expenses</u>			
	1) Current Tax		932,977	411,953
	2) Deferred Tax Liability Written Back		(1,588,209)	(352,832)
XIII	Tax Expenses of Discontinuing Operations		(655,232)	59,121
XIV	Profit / (Loss) from Discontinuing Operations (After Tax) (XII - XIII) 26		3,323,573	722,381
XV	Profit /(Loss) for the period (XI+XIV)		976,961	2,039,135
XVI	Earnings per Equity Shares			
	1) Basic		0.11	0.23
	2) Diluted		0.11	0.23

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES ON FINANCIAL STATEMENTS

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FOR & ON BEHALF OF THE BOARD

PLACE: MUMBAI
DATED: 30th May 2014

Sd/-
DIRECTORS

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

M/S. INDO EURO INDICHEM LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
A <u>CASH FLOW FROM THE OPERATING ACTIVITIES</u>		
Net Profit before tax as per Profit and Loss Account	1,008,995.00	2,023,955.00
Adjusted for:		
Depreciation and Amortisation Expenses	2,465,140.00	2,465,146.00
Interest Income	(5,044,340.00)	(3,143,580.00)
Finance Cost	90,751.00	24,524.00
	(2,488,449.00)	(653,910.00)
Operating Profit before Working Capital Changes	(1,479,454.00)	1,370,045.00
Adjusted For:		
Trade and Other Receivables	6,332,437.00	3,374,921.00
Inventories	(615,706.00)	-
Trade and Other Payables	(12,311,758.00)	16,993,157.00
	(6,595,027.00)	20,368,078.00
Cash Generated from Operations	(8,074,481.00)	21,738,123.00
Taxes Paid	904,456.00	216,352.00
	904,456.00	216,352.00
Net cash From Operating Activites	(8,978,937.00)	21,521,771.00
B <u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Investment	-	(4,740,000.00)
Loans & Advances	2,806,606.00	(16,404,713.00)
Interest Income	5,044,340.00	3,143,580.00
Net Cash (used in) Investing Actviites	7,850,946.00	(18,001,133.00)
C <u>CASH FLOW FROM FINANCING ACTIVITIES:</u>		
Proceeds from Long Term Borrowings	-	(2,500,000.00)
Interest paid	(90,751.00)	(24,524.00)
Net cash (used in) / from financing Activites	(90,751.00)	(2,524,524.00)
Net Increase in cash and cash Equivalents	(1,218,742.00)	996,114.00
Opening Balance of Cash and cash Equivalents	2,162,989.00	1,166,875.00
Closing Balance of cash and cash Equivalents	944,247.00	2,162,989.00

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

M/S. INDO EURO INDICHEM LIMITED
NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<u>NOTE 1</u>		
<u>SHARE CAPITAL</u>		
<u>AUTHORISED CAPITAL</u>		
1,00,00,000 Equity Shares of Rs.10/- each	100,000,000	100,000,000
TOTAL RS.	<u>100,000,000</u>	<u>100,000,000</u>
<u>ISSUED & SUBSCRIBED AND PAID UP</u>		
9054500 Equity shares of Rs. 10/- each.	90,545,000	90,545,000
Less: Allotment money in arrears.	198,000	198,000
TOTAL RS.	<u>90,347,000</u>	<u>90,347,000</u>
1) There were no changes in Outstanding Shares during the Current and Preceding reporting period		
2) Numbers of Shares hold by persons holding more than 5% of Share Capital outstanding.		
	<u>31st March, 2014</u>	<u>31st March, 2013</u>
a) Shri Bhadresh S Shah	599,500	599,500
b) Shri Jaysukh C Shah	615,000	615,000
c) Shri Vardhman C Shah	4,705,300	4,705,300
3) During last five years no Shares were allotted without payment being received in Cash or as Bonus Shares		
4) The Allotment money due for Rs.1,98,000/- is from public.		
<u>NOTE 2</u>		
<u>RESERVES & SURPLUS</u>		
<u>a.Capital Reserves</u>		
State Subsidy Received	3,000,000	3,000,000
<u>b.Surplus</u>		
Balance b/f	4,643,262	2,604,125
Add : Profit / (Loss)during the year	<u>976,961</u>	<u>2,039,135</u>
	5,620,223	4,643,260
TOTAL RS.	<u>8,620,223</u>	<u>7,643,260</u>
<u>NOTE 3</u>		
<u>LONG TERM BORROWING</u>		
<u>Unsecured Loan</u>		
Loans & Advances from Company	-	-
TOTAL RS.	<u>-</u>	<u>-</u>
<u>NOTE 4</u>		
<u>DEFERRED TAX LIABILITIES</u>		
Deferred Tax Liabilities related to Depreciation and Disallowances	967,420	1,868,634
TOTAL RS.	<u>967,420</u>	<u>1,868,634</u>

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

M/S. INDO EURO INDICHEM LIMITED
NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<u>NOTE 5</u>		
<u>SHORT TERM BORROWING</u>		
<u>UNSECURED</u>		
<u>Other Loans & Advances</u>		
<u>From Bank</u>		
Rupee Loan	13,145,720	13,145,720
TOTAL RS.	13,145,720	13,145,720

Other Loans and Advances from Bank are against pledge of some shares of Director and / or Shareholders which were to be sold and appropriate against the Loan. The Bankers have sold shares as informed by the some Directors but have not provided the details to the Directors thus company is disputing the Liabilities. The Co. Op. Court has given order against the Company and demanded Rs. 4,35,89,670/- with interest of Rs. 3,03,92,950/- upto 31st Dec.2013 and the company has Appealed to M.S. Co.Op Appellate Court at Mumbai for stay of Trial Court Proceeding where court has asked to deposit Rs.45 Lacs. As delay in deposit, thus asked interest payment for further hearing on issue raised by company that Banker has instruction of Directors for selling of companies shares to Bank which Banker has not followed as informed by Banker, thus this liabilities is due.

NOTE 6

TRADE PAYABLE

Others for Goods	4,759,712	17,107,273
Others for Services & Expenses	2,055,307	2,026,744
TOTAL RS.	6,815,019	19,134,017

1) The details of amount outstanding to Micro Small & Medium Enterprises are not given as no dealing with

MSME company based on available information with the Company.

2) Trade payable for Services include Old Water Bill Payable and MSEB Electricity Charges.

NOTE 7

OTHER CURRENT LIABILITIES

Taxes & Statutory Dues	168,240	161,000
TOTAL RS.	168,240	161,000

NOTE 8

SHORT TERM PROVISIONS

Taxation	1,023,267	994,477
TOTAL RS.	1,023,267	994,477

M/S INDO EURO INDICHEM LIMITED

NOTE 9

FIXED ASSETS AS ON 31ST MARCH 2014

G R O S S B L O C K						D E P R E C I A T I O N				N E T B L O C K	
Sr. No.	DESCRIPTION	AS AT 01.04.2013	ADDITION DURING THE YEAR	DEDUCTION / SALE / TRANSFER	AS AT 31.03.2014	AS AT 01.04.2013	FOR THE YEAR	DEDUCTION / ADJUSTMENT	AS AT 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
<u>A) WORKS</u>											
1)	Leasehold Land	444,380.00	-	-	444,380.00	-	-	-	-	444,380.00	444,380.00
2)	Factory Building	13,140,072.00	-	-	13,140,072.00	7,664,449.00	438,872.00	-	8,103,321.00	5,036,751.00	5,475,623.00
3)	Plant & Machinery	32,316,969.00	-	-	32,316,969.00	29,323,902.00	1,535,056.00	-	30,858,958.00	1,458,011.00	2,993,067.00
4)	Furniture & Fixture	2,912,413.00	-	-	2,912,413.00	2,062,612.00	184,356.00	-	2,246,968.00	665,445.00	849,801.00
TOTAL (A) RS.		48,813,834.00	-	-	48,813,834.00	39,050,963.00	2,158,284.00	-	41,209,247.00	7,604,587.00	9,762,871.00
<u>B) CORPORATE OFFICE</u>											
1)	Office Equipment	972,810.00	-	-	972,810.00	924,170.00	-	-	924,170.00	48,640.00	48,640.00
2)	Computer	109,750.00	-	-	109,750.00	104,263.00	-	-	104,263.00	5,487.00	5,487.00
3)	Vehicle	3,230,064.00	-	-	3,230,064.00	557,874.00	306,856.00	-	864,730.00	2,365,334.00	2,672,190.00
TOTAL (B) RS.		4,312,624.00	-	-	4,312,624.00	1,586,307.00	306,856.00	-	1,893,163.00	2,419,461.00	2,726,317.00

GRAND TOTAL (A+B) RS.		5,31,26,458.00	-	-	5,31,26,458.00	4,06,37,270.00	24,65,140.00	-	4,31,02,410.00	1,00,24,048.00	1,24,89,188.00
PREVIOUS YEAR		53,126,458.00	-	-	53,126,458.00	38,172,174.00	2,465,146.00	-	40,637,320.00	12,489,138.00	14,954,284.00

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

M/S. INDO EURO INDICHEM LIMITED
NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS		For the year ended 31st March, 2014	For the year ended 31st March, 2013
<u>NOTE 10</u>			
<u>NON CURRENT INVESTMENT</u>			
<u>OTHER INVESTMENT</u>			
<u>a) Investment in Equity Instrument</u>			
(Fully Paid, Unquoted)			
(Financial, Non-Strategic Investment all less than 1% Stock)			
	<u>31.03.2013</u>		
i) Silicon Vyapar Pvt Ltd	4490	44,900	44,900
ii) Sangli Co-op Bank Ltd	2500	25,000	25,000
iii) Infinity Vincom Pvt Ltd	10000	580,000	580,000
iiii) Prime Décor Laminate Pvt Ltd	10000	4,160,000	4,160,000
TOTAL RS.		<u>4,809,900</u>	<u>4,809,900</u>
<u>NOTE 11</u>			
<u>LONG TERM LOANS AND ADVANCES</u>			
a) Security Deposit		1,129,815	629,815
b) Loans and Advances to Related Party		61,175,404	61,437,790
c) Loans and Advances to Other Party		13,193,313	4,383,150
TOTAL RS.		<u>75,498,532</u>	<u>66,450,755</u>
<u>NOTE 12</u>			
<u>OTHER NON - CURRENT ASSETS</u>			
Deposit Appeal - Sangli Co.Op Bank Ltd Case (See Note)		4,150,000	-
TOTAL RS.		<u>4,150,000</u>	<u>-</u>
<u>NOTE 13</u>			
<u>INVENTORIES</u>			
(As taken valued & certified by Two Directors of the Company)			
a) Stores, Spares and Packing Material		14,795	14,795
b) Raw Material		1,789,433	1,789,433
c) Finished Goods		3,298,767	3,298,767
d) Stock in Trade		2,188,938	1,573,232
TOTAL RS.		<u>7,291,933</u>	<u>6,676,227</u>
<u>NOTE 14</u>			
<u>TRADE RECEIVABLES</u>			
<u>(Unsecured considered good)</u>			
Debt due for period exceeding six month		11,974,492	12,898,000
Other Debts		727,293	11,984,625
TOTAL RS.		<u>12,701,785</u>	<u>24,882,625</u>

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

M/S. INDO EURO INDICHEM LIMITED
NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<u>NOTE 15</u>		
<u>CASH AND BANK BALANCE</u>		
Balances with Bank	270,597	1,571,050
Cash on Hand	673,651	591,940
TOTAL RS.	<u>944,247</u>	<u>2,162,990</u>
<u>NOTE 16</u>		
<u>SHORT TERM LOANS AND ADVANCES</u>		
<u>(Unsecured considered good)</u>		
Loans and Advances receivable in cash or in kind or for value to be recovered	119,667	136,674
Income Tax Advance	907,689	1,245,065
Others	2,959	11,502,959
TOTAL RS.	<u>1,030,315</u>	<u>12,884,698</u>
<u>NOTE 17</u>		
<u>OTHER CURRENT ASSETS</u>		
Interest Accrued	4,636,129	2,937,726
TOTAL RS.	<u>4,636,129</u>	<u>2,937,726</u>
<u>NOTE 18</u>		
<u>REVENUE FROM OPERATION</u>		
Sale of Materials*	15,639,112	46,424,875
TOTAL RS.	<u>15,639,112</u>	<u>46,424,875</u>
<u>NOTE 19</u>		
<u>OTHER INCOME</u>		
<u>INTEREST</u>		
From Current Investment		
From Long Term Loan	-	-
Other	137,469	-
Others Non operating Income	-	788,821
TOTAL RS.	<u>137,469</u>	<u>788,821</u>

The company has provided the interest which are receivable

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

NOTES ON PROFIT AND LOSS A/C FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<u>NOTE 20</u>		
<u>COST OF MATERIAL CONSUMED</u>		
Opening Stock	1,789,432	1,789,432
Add : Purchase	<u>-</u>	<u>-</u>
	1,789,432	1,789,432
Less : Closing Stock	<u>1,789,432</u>	<u>1,789,432</u>
TOTAL RS.	<u>-</u>	<u>-</u>
<u>NOTE 21</u>		
<u>PURCHASE OF GOOD</u>		
Purchases for Trading	15,670,101	39,962,717
TOTAL RS.	<u>15,670,101</u>	<u>39,962,717</u>
<u>NOTE 22</u>		
<u>CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE</u>		
<u>a) Inventories (at close)</u>		
Finished Goods	3,298,767.00	3,298,767
Stock in Trade	<u>2,188,938.00</u>	<u>1,573,233</u>
	5,487,705	4,872,000
<u>b) Inventories (at commencement)</u>		
Finished Goods	3,298,767.00	3,298,767
Stock in Trade	<u>1,573,233.00</u>	<u>1,573,233</u>
	4,872,000	4,872,000
TOTAL RS.	<u>(615,705)</u>	<u>-</u>
<u>NOTE NO 23</u>		
<u>EMPLOYEES BENEFITS EXPENSES</u>		
Salary & wages	192,592	181,681
Staff Welfare	<u>27,743</u>	<u>26,578</u>
TOTAL RS.	<u>220,335</u>	<u>208,259</u>

As per Accounting Standard 15 no defined contribution and benefits plan are applicable as company do not have requisite employee.

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

M/S. INDO EURO INDICHEM LIMITED
NOTES ON PROFIT AND LOSS A/C FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<u>NOTE 24</u>		
<u>FINANCE COST</u>		
Bank Charges & Other Financial Charges to Bank	90,751	24,524
TOTAL RS.	90,751	24,524
<u>NOTE 25</u>		
<u>OTHER EXPENSES</u>		
Insurance Charges	37,829	32,759
Miscellaneous Expenses	124,253	143,545
Motor Car Expenses	76,420	57,442
Payment to Auditor	79,418	81,816
Consultant Fees	15,000	
Postage & Telephone	16,322	18,241
Printing & Stationery	179,434	226,642
Repairs to Others	22,876	20,416
Rent	600,000	900,000
Share Transfer Agent & Listing Fees	120,257	107,174
Interest Income W/off	426,784	2,438,585
Transportation Charges	33,096	13,000
Travelling & Conveyance	31,900	24,767
TOTAL RS.	1,763,589	4,064,387
<u>NOTE 26</u>		
<u>INCOME FROM DISCONTINUED OPERATION</u>		
Income	5,044,340	3,143,580
<u>Less : Expenses</u>		
Salaries and Wages	128,395	121,120
Staff Welfare	14,145	
Depreciation	2,158,284	2,158,290
<u>Other Expenses</u>		
Repairs to Building	29,706	32,772
Repairs to Plant & Machinery	25,615	29,442
Payment to Auditor	19,854	20,454
	-	-
	2,375,999	2,362,078
Profit / (Loss) from Discontinued Operation before Tax	2,668,341	781,502
<u>Tax Expenses</u>		
Current Tax (See Note)	932,977	411,953
Deferred Tax	(1,588,209)	(352,832)
	(655,232)	59,121
PROFIT/(LOSS) FROM DISCONTINUED OPERATION	3,323,573	722,381

INDO EURO INDICHEM LIMITED

NOTES 27

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2014

A. **SIGNIFICANT ACCOUNTING POLICIES :**

i. **Method of Accounting**

The Financial statement are prepared under historical cost convention on an accrual basis and are in accordance with the requirements of the Companies Act,1956.

ii. **Fixed Assets**

Fixed Assets are stated at cost inclusive of freight duties, taxes and all incidental expenses related upto commencement of production, but net of modvat credit.

iii. **Depreciation**

Depreciation has been provided on the assets on straight line method at the rate prescribed under schedule XIV of the Companies Act,1956 as amended. The Leasehold right in land are not amortised over the period of lease agreement and are stated at cost.

iv. **Inventories**

Inventories are taken by the Management at end of year. Raw Materials and Finished goods are valued at lower of cost or net realisable value, however Semi Finished Goods are valued at raw material cost only, and stores, spares, packing materials & fuels are valued at cost, stock in trade are valued at lower of cost or net realizable value.

v. **Investments**

Current Investment are stated at cost.

vi. **Retirement benefit:**

Retirement benefits are dealt in following manner

- a) Company is not covered under the provident fund, hence no provision are made.
- b) Gratuity liability is accounted on cash basis.
- c) Provision for value of un-utilised leave due to employees on retirement are made on cash basis.

vii. **Treatment of Contingent Liabilities**

Contingent liabilities are not provided in account but are disclosed in notes on accounts.

viii. **Sales**

Sales are recognised net of returns and trade discount on dispatches of goods to the customers and are reflected in the accounts as gross realisable value i.e. inclusive of excise duty, but MVAT are excluded.

ix. **Other Income**

Interest income is accounted on accrual basis, but Sales Tax Refund etc on receipt basis.

x. **Accounting for Taxes on Income**

Tax expenses comprises both current and deferred income tax. Current Tax is the provision made for income tax liability on the profits for the year in accordance with the provisions of the Income Tax Act, 1961. Deferred Taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted as at the Balance Sheet date. Deferred Tax Assets/Liabilities are recognised only if there is reasonable certainty of their realization.

xi) **Earning per Share**

Basic earning per shares is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

xii) **Impairment of Assets**

The Company is keeping all fixed assets duly greased and painted, hence feel there is no deterioration in value of assets of the Company as on date of the Balance Sheet. The Plant & Machinery are not in use but expected to get price at WDV as per books.

B. **NOTES ON ACCOUNTS**

1. Figures of previous year have been rearranged/regrouped wherever necessary to make them comparable with current year figures.
2. In the opinion of the Board of Directors the Current Assets and Loan & Advances are approximately of the value stated if realised in the ordinary course of business. The provision for depreciation and all the known Liabilities are adequate and not in excess or short of the amount reasonably necessary.
3. The Company follows the system of recording gratuity liability on cash basis, which is contrary to AS-15 issued by the Institute of Chartered Accountants of India. If retirement benefit are accounted on accrual basis, the profit for the year would be lower by Rs. Nil (Previous Year Rs. Nil) as the company has no permanent employees who have completed five years tenure and the liabilities will increase to that extent, but the total liabilities upto Balance Sheet date is Rs.1,96,730/- (Previous Year Rs.1,96,730).
4. Confirmation in respect of Sundry Debtors, Sundry Creditors Loans & Advances are not available for verification, hence they are subject to confirmation and reconciliation if any. In the opinion of the management there are no chances of adjustment and if any adjustment arise

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out of reconciliation it would not be significant. However if any liabilities may arise on account of late payment or otherwise, the profit of the Company will be effected to that extent.

5. No contractual interest is provided on Bank Loan from Sangli Urban Co-op. Bank Ltd. @ 17% p.a for the year Rs.22,34,772/- and simple accumulated interest of Rs.2,40,68,551/- (Previous Year Rs.2,18,33,779/-), as the management is disputing the above interest liabilities and principal loan but are willing of settlement the disputes. The management have expressed before us that they have counter claim against the Bank as Bank have not given the management accounts for sales of share pledged to them by the Directors. The Bank have been given permission to sale the share given of Directors to appropriate the loan. The Bank have sold some share and not given any account hence the Director have counter claim against Bank but as per account and past Balance Sheet the interest paid to Banks are shown lower to the extent of Rs.2,40,68,551/- (Previous Year Rs.2,18,33,739/-) thus the profit is overstated by same amount and credit balance of Statement of Profit & Loss will be debit balance and unsecured loan will increase by the same amount.
6. The Company has provided tax liabilities during the year as per Income Tax Law. The tax provision in accounts is made without adjusting the MAT Credit.
7. The Management have confirmed that all the fixed assets , current assets, Loans & Advances shown in Balance Sheet and all purchases, expenses paid/provided are actually incurred for the purpose of business of Company . All the Sales & Income are fully and genuinely , and correctly , provided in the accounts.
8. As informed by the management there are no outstanding payable to the Micro and Small Enterprises to whom the company owed sum exceeding Rs. 1 lakh, which is outstanding for more than 30 days at the end of the year as per Micro Small & Medium Enterprises Development Act,2006 thus no need to pay any interest.
9. No Share Certificates of Sangli Urban Co-Operative Bank Ltd. and Silicon Vyapar Pvt. Ltd. could be physically verified as the Bank and Other Party has not given certificates to the Company.
10. **Segment Reporting**
The Company is engaged in the business of Purchase and sale of Dyes Chemicals Pigments and Animal Feed Supplements which constitute a single business Chemicals Segment as per management and as there are no export sales and as such there are no reportable geographical segments, thus no segment report are given.
11. **Deferred Tax**
In compliance with the Accounting Standard AS-22 relating to Accounting for taxes on Income, the Company have planned the future growth of the Company and are confident of future profitability to claim future tax credit on brought forward losses under Income Tax Act.

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The Net Deferred Tax Liabilities are as under:-

	Year ending <u>31.03.2014</u>	Year ending <u>31.03.2013</u>
<u>The Deferred Tax Liabilities due to</u>		
Depreciation	19,00,397	25,21,595
Less:- <u>Deferred Tax Assets</u>		
Brought Forward Losses etc / Taxes	<u>9,32,977</u>	<u>6,52,961</u>
Net Deferred Tax Liabilities	<u>9,67,420</u>	<u>18,68,634</u>

Difference in current year are accounted out of current year Statement of Profit & Loss for Rs.9,01,214/- (Previous Year Rs.6,68,140/-)

12 Related Party disclosures

Related Party Disclosures as required by AS-18 " Related Party Disclosures" are given below:-

The Company has identified following related parties

- I. (A) Companies/Other Organisation under the control of directors where transactions are entered into and/or outstanding balance exist as at the Balance Sheet Date:-
- 1) Shah Chhaganlal Laxmichand (HUF)
 - 2) JMC Exim (India) Pvt. Ltd
 - 3) Silicon Vyapar Pvt. Ltd.
 - 4) JMC Logistics
 - 5) Vitrag Associates
 - 6) Lamitech India
 - 7) Rachita Enterprises
 - 8) Parekh Overseas
 - 9) Gadia Mercantile Pvt. Ltd.
 - 10) JMC Investment Consultants Pvt. Ltd.
 - 11) Vardhman C. Shah HUF
 - 12) Infinity Vincon Pvt Ltd.
 - 13) Prime Décor Laminate Pvt Ltd
 - 14) B. S. Enterprises
 - 15) Indo Asia Impex
- (B) Key Management Persons and their relatives
- 1) Mr. Jaysukh Shah - Director
 - 2) Mr. Vardhman Shah - Director
 - 3) Mr. Akshit Lakhani - Director

Indo Euro Indchem Limited
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II. Following are the transactions with related parties mentioned in A & B above.

Sr No	Nature of Transaction	Companies/ Other Organisation under the control of Directors	Key Management / personnel/an d their relatives	Total
1.	Loans Given	60810404	365000	61175404
		(60937790)	(500000)	(61437790)
2.	Loans Received	-	-	-
	<u>Outstanding at year end</u>			
3.	Sundry Creditors	-	-	-
		-	(2500000)	(2500000)
4.	Loans & Advances Receivable in cash or kind		-	-
			(-)	(-)
5.	Deposits Given	4,62,052	-	4,62,052
		(4,62,052)	-	(4,62,052)
6	Sales	4454500	-	4454500
		-	-	-
7	Purchase	6490000	-	6490000
		(5829282)	(11765500)	(17594782)
8	Sundry Debtors	5991500	-	5991500
		(2037000)	-	(2037000)

(Figure in Bracket are of previous year)

		Current Year	Previous Year
13.	<u>Earning per Shares (EPS)</u>		
i)	Total Paid-up Equity Capital of the beginning of year	9,03,47,000	9,03,47,000
	Nominal Value per share	Rs. 10/- each	Rs. 10/- each
	Number of Equity Shares of the beginning of the year	90,54,500	90,54,500
	Number of Equity Shares of the beginning of the end of the year	90,54,500	90,54,500
	Weighted average number of equity shares	90,54,500	90,54,500
ii.	Profit/(Loss) for the year after tax	9,76,961	20,39,134
iii.	Basic and diluted earning per share (Rs.)	0.11	0.23

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

14. OTHER DISCLOSURES PURSUANT TO PART –II OF REVISED SCHEDULE VI

		Current Year	Previous Year
I)	CONSUMED & PURCHASED		
	<u>A) RAW MATERIALS</u>		
	Dyes, Pigments & Others	-	-
	TOTAL	-	-
	<u>B) TRADING GOODS PURCHASED</u>		
	Animal Feed Supplements	1,08,40,000	3,63,37,325
	Others (Incl. Chemicals)	48,30,101	36,25,392
	TOTAL	1,56,70,101	3,99,62,717
II	<u>SALES</u>		
	<u>A) MANUFACTURE</u>		
	Dyes & Pigment	-	-
	TOTAL	-	-
	<u>B) TRADING GOODS</u>		
	Animal Feed Supplements	1,10,29,500	3,94,39,875
	Other (Incl. Chemicals)	46,09,612	69,85,000
	TOTAL	1,56,39,112	4,64,24,875
III	OPENING STOCK – FINISHED GOODS		
	<u>A) MANUFACTURE</u>		
	Dyes-Alfa Blue	32,98,767	32,98,767
	TOTAL	32,98,767	32,98,767
	<u>B) TRADING GOODS</u>		
	Other (Chemicals etc)	15,73,232	-
	TOTAL	15,73,232	-
IV	<u>CLOSING STOCK – FINISHED GOODS</u>		
	<u>A) MANUFACTURE</u>		
	Dyes-Alfa Blue	32,98,767	32,98,767
	TOTAL	32,98,767	32,98,767
	<u>B) TRADING GOODS</u>		
	Other (Chemical) etc	21,88,938	15,73,232
	TOTAL	21,88,938	15,73,232

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V	CONSUMPTION OF IMPORTED & INDIGENOUS				
		Current Year		Previous Year	
	A) RAW-MATERIAL	Value	%	Value	%
	Imported	-	-	-	-
	Indigenous	-	-	-	-
	TOTAL	-	-	-	-
	B) STORES & SPARES				
	Imported	-	-	-	-
	Indigenous	-	-	-	-
	TOTAL	-	-	-	-

		Current Year	Previous Year
VI	C.I.F. VALUE OF IMPORT	NIL	NIL
VII	EXPENDITURE IN FOREIGN CURRENCY	NIL	NIL
VIII	EARNING IN FOREIGN EXCHANGE	NIL	NIL

AS PER OUR REPORT OF EVEN DATE
For V.S.LALPURIA & COMPANY
CHARTERED ACCOUNTANTS

PLACE :MUMBAI
DATED:30th May 2014

Sd/-
(V.S.LALPURIA)
PROPRIETOR
M.NO.15926

Sd/-
(J.C.SHAH)
DIRECTOR

Sd/-
(A.B.LAKHANI)
DIRECTOR

Sd/-
(V.C.SHAH)
DIRECTOR

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

INDO EURO INDICHEM LIMITED
Regd Office: B-9 to B-16, Osmanabad – 413501, Maharashtra India
CIN No. L24100MH1990PLC057190

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint shareholders may obtain additional attendance slip at the venue.

DP. Id*		Name and Address of the registered Shareholder
Client Id / Regd. Folio No.		
No. of Share(s) held		

I/ We hereby record my/our presence at the **24th Annual General Meeting** of the Company, to be held on Monday, September 29, 2014 at 5.00 P. M.

* Applicable for investors holding share(s) in electronic form.

Signature of the shareholders or proxy

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

FORM No. MGT-11

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

INDO EURO INDICHEM LIMITED
Regd Office: B-9 to B-16, Osmanabad – 413501, Maharashtra India
CIN No. L24100MH1990PLC057190

Name of Member (s)	:	
Registered Address	:	
Email ID	:	
Folio No./ DP ID No.	:	
Client ID No.	:	

I/We, being the member (s) of shares of the above named company, hereby appoint

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the company, to be held on the 29th day of September, 2014 At 5.00 p.m. at B-9 to B-16, Osmanabad – 413501, Maharashtra India and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION NO.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statments for the period ended 31st March, 2014 along with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Akshit B. Lakhani, who retires by rotation and being eligible offers himself for re – appointment.
3. To appoint a Director in place of Mr. Jaysukh Shah Chhganlal, who retires by rotation and being eligible offers himself for re – appointment.
4. Appointment of Auditors and fixing remuneration.

SPECIAL BUSINESS:

5. Adoption of New Set of Articles.
6. Appointment of Mr. Paresh M. Valani as an Independent Director.
7. Appointment of Mr. Dipakkumar P. Pandya as an Independent Director.

Signed this..... day of..... 2014

Affix Reven ue Stamp

.....
Signature of shareholder

.....
Signature of 1st Proxy Holders Signature of 2nd Proxy Holders

Note: 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.

Indo Euro Indchem Limited
(Previously Known as RinkuPolychem Ltd)

INDO EURO INDICHEM LIMITED
Regd Office: B-9 to B-16, Osmanabad – 413501, Maharashtra India
CIN No. L24100MH1990PLC057190

BALLOT FORM
(in lieu of e-voting)
(To be returned to Scrutinizer appointed by the Company)

Name and Registered Address of the sole / First named Member	:	
Name (s) of the Joint Holder (s) (if any)	:	
Registered Folio No./ DP ID No. and Client ID No.	:	
Number of share(s) held	:	
EVSN (e-voting EVSN Number)	:	
User ID & Password	:	If you are registered with CDSL on e-voting system, please use your existing used ID and password. If you are a first time user follow the steps given in e-voting instruction.

- I / We hereby exercise my / our vote(s) in respect of the Resolutions set out in the Notice of the Twenty Fourth Annual General Meeting (AGM) of the Company to be held on Monday, September 29, 2014 and at any adjournment thereof by sending my / our assent or dissent to the said Resolutions by placing the tick () mark at the appropriate box below:

Item No.	Resolution	Type of Resolution	No. of Shares	For	Against
1.	Adoption of Statement of Profit & loss, Balance Sheet, Report of Board of Directors of the Company	Ordinary			
2.	Reappointment of Mr. Akshit B. Lakhani as a Director of the Company	Ordinary			
3.	Reappointment of Mr. Jaysukh Shah Chhganla as a Director of the Company.	Ordinary			
4.	To appoint the Auditors of the Company.	Ordinary			
5.	Adoption of New Set of Articles	Special			
6.	Appointment of Mr. Paresh M. Valani as an Independent Director	Ordinary			
7.	Appoitment of Mr. Dipakkumar P. Pandya as an Independent Director	Ordinary			

Place:

Date:

(Signature of Member)

Note: Please read the instructions carefully before exercising your vote