Chemiesynth ..... Group

Chemiesynth (Vapi) Ltd.

Date: 13th October, 2016

To,

The Manager,

BSE Limited,

Corporate Relationship Department,

Phiroze Jeejeebhoy Tower,

Dalal Street, Mumbai – 400 001

Scrip Code: 539230

Sub: Reg. 34 of the SEBI (LODR) Regulations, 2015

Dear Sir,

We enclosed herewith, pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015, Annual Report of the company for financial year 2015-16.

Kindly take on your records.

Yours faithfully,

For Chemiesynth (Vapi) Limited.

Sandip S. Zaveri,
Managing Director, DIN: 00158876

Encl.: Annual Report 2015-16

Sales Off.:
B-401/402, 4th Floor, Neelkanth Business Park, Vidyavihar (West), Mumbai - 400 086, India.
Tel. : +91 22 25144402 / 25145357 Fax : +91 22 25146591 Web : www.chemiesynth.com

Regd. Off & Works :
Plot No. 27, GIDC, Vapi, Gujarat - 396 195, India. Tel. : +91 260 2432885 Fax : +91 260 2432036

CIN: L24110GJ1986PLC008634

MEMBER OF MULTILATERAL RECOGNITION ARRANGEMENT
IQC ISO 9001 : 2008
NABCB QMS 004

Annual Report
2015-16

Chemiesynth (Vapi) Limited

INDEX

Corporate Information	3
AGM Notice	4
➢ Explanatory Statement	8
Directors Report	9
Management Discussion and Analysis Report	13
Annexures	
➢ Annexure A: Director's Brief Resume	14
➢ Annuxure B: Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo	16
➢ Annexure C: Particulars of Employees	16
➢ Annexure D: Extract of Annual Return in MGT-9	18
➢ Annexure E: Related Party Transactions	25
Audited Financial statements	26
Independent Auditors Report	39
Secretarial Audit Report	43
Proxy Form	45
Assent / Dissent Form For Voting on AGM Resolutions	46
Route Map of Venue of AGM Meeting	48

Note: Attendance Slip is annexed to this Annual Report. User ID and Initial password for eVoting is provided on Attendance Slip.

Corporate Information

Board of Director:

MR. SATISH BHOGILAL ZAVERI	- Non Independent Non Executive Director
MR. SANDIP SATISHBHAI ZAVERI	- Managing Director
MR. BHANURAI NAGINDAS MEHTA	- Non Independent Non Executive Director
MR. MINESH JAYSHUKHLAL SHAH	- Independent Non Executive Director
MR. RUSHABH MEHTA	- Independent Non Executive Director

Auditors:

M/s. Manoj Shah & Co.,
Chartered Accountant, Vapi.

Secretarial Auditors:

M/s. HS Associates,
Company Sectetaries, Mumbai

Registered Office:

CIN: L24110GJ1986PLC008634
Plot No. 27, GIDC, Vapi
Dist. Valsad, Gujarat – 396 195.

Audit Committee:

Mr. Minesh J. Shah	- Chairman
Mr. Rushabh Mehta	- Member
Mr. Sandip Zaveri	-Member

Registrar & Share Transfer Agent:

Purva Sharegistry (India) Pvt. Ltd.
Unit no. 9, Shiv Shakti Ind. Estt.
J .R. Boricha marg,
Opp. Kasturba Hospital Lane
Lower Parel (E), Mumbai 400 011

Nomination & Remuneration Committee:

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

Shareholders/Investors Grievance Committee:

Mr. Rushabh Mehta	- Chairman
Mr. Minesh J. Shah	- Member
Mr. Sandip Zaveri	- Member

30th Annual General Meeting:

Day : Monday
Date : 26th September, 2016
Venue : Plot No. 27, GIDC, Vapi
Dist. Valsad – 396 195
Time : 11:30 AM

Book Closure:

Date:21/09/2016 to 26/09/2016
(Both days inclusive)

Company Secretary & Compliance Officer:

Mr. Bhupendra N. Hatkar

Chief Financial Officer:

Mr. Parimal A. Desai

CHEMIESYNTH (VAPI) LIMITED

Plot No. 27, GIDC, Vapi, Dist. Valsad, Gujarat - 396195
CIN: L24110GJ1986PLC008634

: Notice :

Notice is hereby given that the 30th Annual General Meeting of the Members of **CHEMIESYNTH (VAPI) LIMITED** will be held on Monday, 26th September, 2016 at 11:30 AM at the Registered Office of the Company at Plot No. 27, GIDC, Vapi, Dist. Valsad, Gujarat – 396 195 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2016, including the audited Balance Sheet as at March 31, 2016, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.

2. To appoint a director in place of Mr. Satish B. Zaveri (DIN: 00158861), liable to retire by rotation in term of section 152(6) of the Companies Act, 2013 and being eligible, seeks reappointment and to pass the following resolution as **ordinary resolution:**

   "RESOLVED THAT pursuant to the provisions of section 152(6) and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Satish B. Zaveri (DIN: 00158861) be and is hereby appointed as Non independent non executive director of the company, liable to retire by rotation."

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

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

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

Special Business:

4. Approval for Related Party Transactions:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and pursuant to

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded for entering into the following proposed and/or executed Related Party Transactions with effect from April 1, 2016 and every financial year thereafter, up to the maximum per annum amounts as appended in table below:

Sr. No.	Name of Related Party	Nature of transaction	Maximum Value of Transactions per annum with effect April 1, 2016 and thereafter in every financial year
1.	CS Specialty Chemicals Private Limited	Providing or availing services; selling or purchasing any products or materials in ordinary course of business.	15 Crores
2.	CS Performance chemicals Private Limited	Providing or availing services; selling or purchasing any products or materials in ordinary course of business.	15 Crores
3.	CS Performance chemicals Private Limited and/or CS Specialty Chemicals Private Limited	Selling or otherwise disposing of property of any kind.	19% of Net worth of the company as per latest Annual Accounts
4.	CS Performance chemicals Private Limited and/or CS Specialty Chemicals Private Limited	Purchase or acquire any kind of property.	5 Crores

RESOLVED FURTHER THAT pursuant to sub regulation (8) of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, post facto approval of members be and is hereby given for the transactions entered with M/s. CS Specialty Chemical Private Limited and M/s. CS Performance Chemicals Private Limited amounting to Rs. 24,767,570/- and Rs. 403,640/- respectively during financial year 2015-16.

FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution."

For and on behalf of the Board of Directors

Place: Vapi
Date: 26th August, 2016

Sd/-
Mr. Sandip S. Zaveri, **Managing Director**
DIN: 00158876

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the meeting, is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument appointing Proxy as per the format included in the Annual Report

should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the commencement of the meeting.

3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

4. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

5. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays, between 10.00 a.m. and 4.00 p.m. up to the date of the Meeting.

6. Brief resume of all Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se are annexed as Annexure A.

7. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

8. The Register of Members and Share Transfer Books will remain closed from 21th September, 2016 to 26th September, 2016 (Both days inclusive).

9. The Shareholders are requested to immediately inform the Company's registrars and share transfer agent viz. Purva Share registry P Ltd, regarding changes, if any in their registered address with the PIN Code number.

10. The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at http://www.chemiesynth.com.

11. Copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy of Annual Report to the Meeting.

12. E-voting:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended vide Companies (Management and Administration) Amendment Rules, 2015 w.e.f. 19 March 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the Members facility of voting by electronic means in respect of businesses to be transacted at the 30th Annual General Meeting (AGM) which includes remote e-voting. The Company also proposes to provide the option of voting by means of Ballot Form at the AGM in addition to the electronic voting system mentioned above. Shareholders have also an option to indicate their manner of voting by proxy. The Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means. **The remote e-voting period starts on Friday, 23rd September, 2016 at 11.00 a.m. and ends on Sunday, 25th September, 2016 at 5.00 p.m.**

Mr. Nitin Sarfare, Partner of M/s. HS Associates, Company Secretaries, 206, 2nd Floor, Tantia & Jogani Industrial premises, Sitaram Mills Compound, J. L. Boricha Marg, Opp. Lodha Exelus, Lower Parel [E], Mumbai - 400 011, who had consented to act as the Scrutinizer, was appointed by the Board of Directors as the Scrutiniser to scrutinize the voting process (electronically or otherwise) for the 30th Annual General Meeting of the Company in a fair and transparent manner and submit a consolidated Scrutinizer's report of the total votes cast to the Chairman or a person authorised by him in writing.

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

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

i. Open e-mail and open the attached PDF file viz; **"**chemiesynth.e-voting.pdf**"** with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password.

ii. Launch internet browser by typing the URL https://www.evoting.nsdl.com.

iii. Click on Shareholder-Login.

iv. Insert your user ID and password as initial password noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting, you can use your existing user ID and password for casting your vote.

v. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. Home page of e-voting opens. Click on "e-voting: Active Voting Cycles".

vii. Select "E Voting Event Number (EVEN)": 105083 of Chemiesynth (Vapi) Limited for casting your vote (EVEN is also provided on attendance slip).

viii. Now you are ready for e-voting as "Cast Vote" page opens.

ix. Cast your vote by selecting appropriate option and click on: "Submit" and also "Confirm" when prompted. Upon confirmation, the message "vote cast successfully" will be displayed.

x. Once you have voted on the resolution, you will not be allowed to modify your vote.

xi. Institutional Shareholders and bodies corporate (i.e. other than individuals, HUF, NRI etc) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer through e-mail to nitin@hsassociates.net with a copy marked to evoting@nsdl.co.in.

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

a. Initial password is provided on Attendance Slip for the AGM.

b. Please follow all steps from Sl. No. (ii) to Sl. No.(xi) mentioned in (A) above, to cast your vote.

Other Instructions for e-Voting:

I. Persons who have acquired shares and became Members of the Company after the dispatch of the Notice of the AGM but before the cut-off date of 20th September, 2016, may obtain their user ID and password for e-voting from Company's Registrar & Transfer Agents, Purva Sharegistry (I) Pvt Ltd, 9 Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai, 400011 (Telephone: 022 - 23018261 / 23012518, Fax: 23012517) or NSDL (Phone +91 22 2499 4600).

II. The remote e-voting period starts on Friday, 23rd September, 2016 at 11.00 a.m. and ends on Sunday, 25th September, 2016 at 5.00 p.m. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the **cut-off date of 20th September, 2016**, may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter at 5.00 p.m. on Sunday, 25th September, 2016. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

III. In case of any queries, you may refer to the "Frequently Asked Questions (FAQs)" for Shareholders and e-voting user manual for Shareholders available at the "downloads" section of NSDL website at www.evoting.nsdl.com.

IV. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. In case of joint holders, only one of the joint holders may cast his vote.

V. Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting through ballot form. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

VI. The Results of the e-voting will be declared not later than two days of conclusion of the AGM i.e. Thursday, 28th September, 2016. The declared results along with the Scrutinizer's Report will be available on the Company's website at http://www.chemiesynth.com and on the website of NSDL at www.evoting.nsdl.com and will also be forwarded to the Bombay Stock Exchanges where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.

13. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on cut off date i.e. 20th September, 2016.

14. Members, who do not have access to e-voting facility, may cast their vote by sending duly signed ASSENT / DISSENT FORM FOR VOTING ON AGM RESOLUTIONS.
    ASSENT / DISSENT FORM FOR VOTING ON AGM RESOLUTIONS is annexed to this Annual Report.

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

Item No. 4:

Chemiesynth (Vapi) Limited has entered several transactions with related parties some of transactions were at arm length price in ordinary business and some of transactions were not in ordinary business but at arm length price. The transactions which were not in ordinary business are related to sell or dispose of machinery, the value of which was not exceeding 10% of net worth of the company as per last audited financial statements.

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires shareholders approval for transactions exceeding ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Hence the transactions entered into during 2015-16 are placed before members for approval. Information of related parties is enclosed as Annexure E. The detailed information and documents on related parties are available for inspection at Registered Office of the company during office hours between 10.00 a.m. and 4.00 p.m. up to the date of the Meeting.

Further, the company is developing its market and at present company is rendering various services and selling different products/materials to related parties i.e. M/s. CS Specialty Chemicals Private Ltd. (CSSCPL) and M/s. CS performance Chemicals Private Ltd. (CSPCPL). The transactions are proposed to be entered at Market value or nearest to market value. Further the company is intended to sell some of its machinery, plants and spares which are not in use to related parties.

Mr. Satish Bhogilal Zaveri (DIN:00158861), Mr. Sandip Satishbhai Zaveri (DIN:00158876) and Mr. Bhanurai Nagindas Mehta (DIN:00158885) are interested in the resolution in following ways:

Sr. No.	Name of Director	Relation with CSSCPL	Relation with CSPCPL
1.	Mr. Satish Bhogilal Zaveri	Managing Director of CSSCPL and Shareholder of CSSCPL	Director of CSPCPL and Shareholder of CSPCPL
2.	Mr. Sandip Satishbhai Zaveri	Director of CSSCPL and Shareholder of CSSCPL	Director of CSPCPL
3.	Mr. Bhanurai Nagindas Mehta	Director of CSSCPL and Shareholder of CSSCPL	Director of holding company of CSPCPL

No other directors are interested in the above resolution.

For and on behalf of the Board of Directors

Sd/-

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

DIN: 00158876

Place: Vapi

Date: 26th August, 2016

DIRECTORS' REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2016

Dear Shareholders,

Your Directors present the 30th Annual Report and Audited Financial Statements of the company for the year ended 31st March, 2016.

The company is still facing trouble to establish its new market. On the other hand cost of labour, material cost and other costs are increased.

FINANCIAL RESULTS

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

(Amount in Rupees)

Particulars:	**This Year (2015-16)**	**Previous Year (2014-15)**
Gross Income	**51,457,389**	**111,549,497**
Profit /(Loss) before Depreciation	**(3,418,236)**	**(6,892,561)**
Less : Depreciation	**(2,019,628)**	**(2,813,897)**
Profit (Loss) before Tax	**(5,437,864)**	**(9,706,458)**
Less Provision for Tax : Current Tax	**------**	**------**
: Deferred Tax	**------**	**------**
Profit (Loss) for the year	**(5,437,864)**	**(9,706,458)**

DIVIDEND

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

DEPOSITS :

The Company has not accepted any public deposits under chapter V of the Companies Act, 2013.

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

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

SAFETY AND HEALTH

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

PARTICULARS OF EMPLOYEES

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

AUDITORS:

M/s. Manoj Shah & Co, Chartered Accountants, statutory auditors was appointed at 29th Annual General Meeting for the term of two year subject to approval of shareholders at ensuing Annual General Meeting. Board of directors, pursuant to the provisions of section 139 of the Companies Act, 2013, proposed to ratify appointment of M/s. Manoj Shah & Co, Chartered Accountants, as Independent Auditor of the Company based on recommendation of Audit Committee.

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

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

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

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

DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS

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

RISK MANAGEMENT POLICY/ COMMITTEE

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

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

EXTRACT OF ANNUAL RETURN

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(3) (c) of the Companies Act, 2013 and also on the basis of discussions with the Statutory Auditors of the Company from time to time, we state that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

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

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

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

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

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The Board of directors have met 9 times and Independent Directors once during the year ended 31st March, 2016.

Meetings of Board of Directors held during financial year 2015-16 are as follows:

1	27th April, 2015	6	9th November, 2015
2	14th May, 2015	7	27th January, 2016
3	29th May, 2015	8	12th February, 2016
4	14th August, 2015	9	2nd March, 2016
5	25th August, 2015		

The Board as on 31st March, 2016 comprises of five Directors out of which four Directors are Non-Executive Directors and one Director is Managing Director who is responsible for the day-to-day management of the Company subject to the supervision, direction and control of the Board of Directors. The Chairman of the Company is Non-Executive Director. The remaining Two Directors are Independent Directors comprises 40% of the total strength of the Board. Detail of attendance at Board Meeting is as follows:

Name of Director	No. of Board Meetings held during financial year 2015-16	No. of Board Meetings attended	Number of Membership in Boards of Other Companies*	NO. of Membership/ Chairmanship in Other Companies*
Mr. Satish B. Zaveri	9	9	NIL	NIL
Mr. Sandip S. Zaveri	9	9	NIL	NIL
Mr. Bhanurai N. Mehta	9	9	NIL	NIL
Mr. Minesh Jayshukhlal Shah	9	9	NIL	NIL
Mr. Rushabh Mehta	9	9	NIL	NIL
Mrs. Purvi Kalpesh Gandhi	8	8	NIL	NIL

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

Mr. Satish B. Zaveri, Mr. Sandip S. Zaveri and Mr. Bhanurai N. Mehta were present on 29th AGM held on 28th September, 2015.

DETAILS OF COMMITTEE OF DIRECTORS (AS ON 31ST MARCH, 2016)

A. AUDIT COMMITTEE

The composition of Audit Committee consists of two independent directors and a Managing Director.

The terms of reference stipulated by the Board to the Audit Committee are as per the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Attendance of Committee members during 2015-16 is as follows:

Name	Chairman/ Member	No. of Audit committee meetings	No. of Audit Committee meetings attended
Mr. Minesh J. Shah (Independent Director)	Chairman	5	5
Mr. Rushabh Mehta (Independent Director)	Member	5	5
Mr. Sandip Zaver (Managing Director)	Member	5	5

Audit Committee meeting were held 5 times on the following dates during the year 2015-16:
14th May, 2015, 29th May, 2015, 14th August, 2015, 9th November, 2015 and 12th February, 2016.

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

B. NOMINATION AND REMUNERATION COMMITTEE

Composition of Nomination and Remuneration Committee:

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

During the financial year 2015-16, Nomination and Remuneration Committee met one time. The meeting was held on 27th April, 2015 and all committee members were present.

C. SHAREHOLDER/INVESTORS GRIEVANCE COMMITTEE

Composition of Shareholder/Investors Grievance Committee is as under:

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

Compliance Officer: Mr. Bhupendra N. Hatkar

Email: bhupenhatkar@gmail.com

bhupenchemiesynth@gmail.com

Contact No. : +91 9033 490 471

Number of shareholders' complaints received	: NIL
Number not solved to the satisfaction of shareholders	: NIL
Number of pending complaints	: NIL

PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY

The company has sold various finished products and/or intermediate products, in ordinary course of business at ARM LENGTH PRICE, to related parties in which directors are interested. Further some of machineries, from time to time, were sold to related party during the financial year 2015-16 at current market price and after proper valuation of machineries. The board of directors has approved the transactions from time to time. (List of transactions is attached. (Annexure E))

SECRETARIAL AUDIT REPORT

A Secretarial Audit Report for the year ended 31st March, 2016 in prescribed form duly audited by the Practising Company Secretary Mr. Nitin Sarfare, Partner of M/s. HS Associates, Company Secretaries, 206, 2nd Floor, Tantia & Jogani Industrial premises, Sitaram Mills Compound, J. L. Boricha Marg, Opp. Lodha Exelus, Lower Parel [E], Mumbai - 400 011, is annexed herewith and forming part of the report.

COMMENTS ON SECRETARIAL AUDIT REPORT

The board of directors are in process of appointment of Internal Auditor and will comply with section 138 of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY POLICY

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

KEY MANAGERIAL PERSONNEL

CS Bhupendra N. Hatkar was appointed as Company Secretary of the company w.e.f. 27th April, 2015. There is no other change in Key Managerial Personnel during the financial year 2015-16.

DIRECTORS

Mrs. Purvi Kalpesh Gandhi has resigned as Independent Director of the company with the effect from 28th March, 2016. There is no other change in composition of Board of Directors.

POLICY ON DIRECTORS' APPOINTMENT

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

POLICY ON REMUNERATION

Guiding Policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is that –

- Remuneration to unionised workmen is based on the periodical settlement with the workmen union.

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

POLICIES OF THE COMPANY

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

1. Code Of Business Conduct For Directors And Senior Executives
2. Nomination and Remuneration Policy
3. Vigil Mechanism / Whistle Blower Policy
4. Insider Trading - Code of Conduct
5. Code of Fair Disclosure CSL
6. Preservation of Documents and Archival Policy
7. Policy on Determination of Materiality of Events/Information

CORPORATE GOVERNANCE

During the year Company does not fall under the criteria specified under Regulation 15 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Henceforth a separate report on Corporate Governance is not enclosed as a part of this Annual Report as stipulated in Regulation 17(7) read with Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

Place: Vapi
Date: 26th August, 2016

Sd/-
Mr. Sandip S. Zaveri, **Managing Director,**
DIN: 00158876

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

Industry Structure And Developments

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

Outlook

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

Opportunities and Threats

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

Risks & Concerns

Presently, your company is focusing best manufacturing methods keeping in view safety measures. Managing Director is reviewing safety in process from time to time.

Internal Control System and Adequacy

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

Human Resources

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

Financial Performance

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

For and on behalf of the Board of Directors

Place: Vapi
Date: 26th August, 2016

Sd/-
Mr. Sandip S. Zaveri, **Managing Director,**
DIN: 00158876

Annexure. A

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

1. Mr. Satish Bhogilal Zaveri.

Date of Birth	Date of Appointment	Qualification	DIN	Number of Shares held in the Company
25/04/1938	24/04/1986	B.E. (Chemical Engineering)	00158861	1,094,760

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

Expertise in specific functional areas:

He has more than 46 years experience in chemical industry as a technocrat entrepreneur. With the experience earned in the varied areas of business activities and strategic planning, Mr. Satish Bhogilal Zaveri developed using commercially viable business models to stimulate and sustain the social change in the Company.

2. Mr. Sandip Satishbhai Zaveri

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

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

Expertise in specific functional areas:

He has more than 19 years experience in chemical industry as a technocrat entrepreneur. With his experience in the business activities and strategic planning, he is helpful in decision taking in the business of the Company.

3. Mr. Bhanurai Nagindas Mehta

Date of Birth	**Date of Appointment**	**Qualification**	**DIN**	**Number of Shares held in the Company**
12/10/1937	02/11/1994	Automobile Engineer	00158885	242,500
Directorship Held in other companies (excluding foreign companies)		**Membership/Chairmanship of committees of other company**		
1. CS Specialty Chemicals Private Limited 2. Solid Quality India Private Limited		**NIL**		

Expertise in specific functional areas:

He has more than 41 years experience in insurance industry as Surveyor and investor. His views and suggestions are quite helpful in the business activities and decision making in the company.

4. Mr. Minesh Jayshukhlal Shah

Date of Birth	**Date of Appointment**	**Qualification**	**DIN**	**Number of Shares held in the Company**
06/08/1970	01/11/2014	BE Chemical Engineer	00236300	**NIL**
Directorship Held in other companies (excluding foreign companies)		**Membership/Chairmanship of committees of other company**		
1. Solarson Chemicals Taloja Private Limited		**NIL**		

Expertise in specific functional areas:

He has expert knowledge in chemical industry.

5. Mr. Rushabh Mehta

Date of Birth	**Date of Appointment**	**Qualification**	**DIN**	**Number of Shares held in the Company**
18/11/1968	01/11/2014	B.Com	00784327	**NIL**
Directorship Held in other companies (excluding foreign companies)		**Membership/Chairmanship of committees of other company**		
1. Felicity Exports Private Limited 2. Royal House Agency Private Limited		**NIL**		

Expertise in specific functional areas:

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

Other Information: No remuneration is paid to any director.

ANNEXURE B

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

(A) Conservation of energy-

(i) Steps taken or impact on conservation of energy;

a) Improving Natural Light by opening Windows, studying illumination of tube lights by CFL lamps etc.

b) Maintaining old machinery in good condition, retrofitting or replacing with energy efficient ones.

c) Minimising idle running of machinery.

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

(ii) Utilising alternate sources of energy: NIL

(iii) Capital investment on energy conservation equipments: NIL

(B) Technology absorption-

(i) Efforts made towards technology absorption: NIL

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution: NIL

(iii) Imported technology (imported during the last three years reckoned from the beginning of the financial year)- NIL

(iv) The expenditure incurred on Research and Development: NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earning	Rs 3,248,038/-
Foreign Exchange Outgo	Rs. 2,127,648/-

Annexure. C

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

1	The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-16	Director's Name	Ratio to mean remuneration
		Mr. Sandip Zaveri	0 : 1
2	The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the financial year 2015-16 compared to 2014-15.	Director's/CFO/CEO/CS/ Mgr name	% age increase in remuneration
		Mr. Sandip Zaveri	NIL
		Mr. Parimal Desai	5.83 %
		Mr. Bhupendra Hatkar	Not comparable.
3	Percentage increase in the median remuneration of employees in the financial year 2016-15 compared to 2014-15	-0.71 (Decrease in over all remuneration is due to some employees left the company)	
4	Number of permanent employees on the rolls of the company	As on 31.03.2016	As on 31.03.2015
		39	44
5	Explanation on the relationship between	Revenue from operation decreased 54% compared to	

	average increase in remuneration and the company performance	financial year 2014-15. Increament to employees are given industry trends and inflation.			
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	No significant increment was given to KMP as company is struggling for overcoming its financial situation.			
7	Variation in	31.03.2016		31.03.2015	
	Market Capitalization	Not available. Trading on BSE to commence		Not available. Trading on BSE to commence	
	Price Earning Ratio				
	Percentage Increase/decrease of market quotations				
	Net worth of the Company	22,463,851		27,936,095	
8	Average percentile increase in salaries of Employees other than managerial personnel	During 2015-16		During 2014-15	
		6%		6%	
9	Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company				
	Name of Key Managerial personnel	31.03.16	31.03.15	% age change	Reason against performance of the Company
	Mr. Sandip Zaveri – MD	NIL	1,68,504	**0%**	Remuneration paid in year 2014-15 was recovered from director.
	Mr. Parimal Desai – CFO	432,859	409,010	**5.83%**	Consedering industry trend.
	Mr. Bhupendra Hatkar	352,854	0	-	He was appointed on post of company secretary w.e.f 27/04/2015.
10	Key parameter for any variable component of remuneration availed by the Directors	NO			
11	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year(except KMP)	Employee Salary: Highest paid director			
	None of the directors has been paid remuneration. Hence it is not comparable.				

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.
No Employee is in receipt of remuneration which requires disclosure as per Rules 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
Above all information related to remuneration of employees and directors are based on Gross salary (excluding employers Contribution to PF and ESIC) earned by them.

ANNEXURE D

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2016
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	**CIN**	L24110GJ1986PLC008634
2.	**Registration Date**	24/04/1986
3.	**Name of the Company**	CHEMIESYNTH (VAPI) LIMITED
4.	**Category/Sub-category of the Company**	Company Limited by Shares/ Indian Non-Government Company
5.	**Address of the Registered office & contact details**	Plot no 27 GIDC Vapi Dist. Valsad, Gujarat, India – 396 195
6.	**Whether listed company**	Yes
7.	**Name, Address & contact details of the Registrar & Transfer Agent, if any.**	Purva Sharegistry (India) Pvt. Ltd. Unit no. 9, Shiv Shakti Ind. Estt. J .R. Boricha marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai 400 011. Phone No.: 022 23012518

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	4 Sulpho 1, 8 Naphthalic Anhydride	20110	30.85%
2	solvent yellow 124 inter	20110	23.47%
3	nitro ethylcarbazole	20110	26.96%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

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

a. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 31.03.2015				No. of Shares held at the end of the year 31.03.2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	**-**	**1825200**	**1825200**	**59.45**	**-**	**1837700**	**1837700**	**59.86**	**0.41**
b) Central Govt	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
c) State Govt(s)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
d) Bodies Corp.	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	1825200	1825200	59.45	-	1837700	1837700	59.86	0.41
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	1012000	1012000	32.96	-	1012000	1012000	32.96	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	91700	91700	2.99	200	91400	91600	2.98	(0.01)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	141100	141100	4.60	-	128700	128700	4.20	(0.40)
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	1244800	1244800	40.55	200	1232100	1232300	40.14	(0.41)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	1244800	1244800	40.55	200	1232100	1232300	40.14	(0.41)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	3070000	3070000	100	200	3069800	3070000	100	

b. Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Satish Bhogilal Zaveri	1088660	35.46	-	1094760	35.66	-	0.20
2	Sandip S Zaveri	360500	11.74	-	360500	11.74	-	-
3	Bhanurai Nagindas Mehta	239000	7.79	-	242500	7.90	-	0.11
4	Charu Bhanurai Mehta	36000	1.17	-	36000	1.17	-	-
5	Sushila Ramesh Zaveri	24000	0.78	-	24000	0.78	-	-
6	Kamal Satish Zaveri	12000	0.39	-	12000	0.39	-	-
7	Narendra Bhogilal Zaveri	12000	0.39	-	12000	0.39	-	-
8	Nirmala Narendra Zaveri	14000	0.46	-	14000	0.46	-	-
9	Panna Suresh Mehta	12000	0.39	-	14000	0.46	-	0.07
10	Rushabh Bhanurai Mehta	8440	0.27	-	9340	0.30	-	0.03
11	Dilip Champaklal Zaveri	6600	0.21	-	6600	0.21	-	-
12	R Balasubramanian	6000	0.20	-	6000	0.20	-	-
13	Darshana Satish Zaveri	3000	0.10	-	3000	0.10	-	-
14	Gautam Ramesh Zaveri	3000	0.10	-	3000	0.10	-	-
	Total	1825200	59.45	-	1837700	59.86	-	0.41

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1825200	59.45	1825200	59.45
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): Increase in Shareholding – Some of folios were inadvertently not taken as Promoters by Registrar & Share Transfer Agent	12500	0.41	1837700	59.86
	At the end of the year	1837700	59.86	1837700	59.86

d. Shareholding Pattern of top ten Shareholders:

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**UNITED PHOSPHOROUS LIMITED**				
	At the beginning of the year	921000	30.00	921000	30.00
	No Transaction	NIL	NIL	NIL	NIL
	At the end of the year	921000	30.00	921000	30.00
2	**GAURAV MALLIK**				
	At the beginning of the year	128700	4.19	128700	4.19
	No Transaction	NIL	NIL	NIL	NIL
	At the end of the year	128700	4.19	128700	4.19
3	**SOUTH DELHI INVESTMENTS (P) LTD**				
	At the beginning of the year	34900	1.13	34900	1.13
	No Transaction	NIL	NIL	NIL	NIL
	At the end of the year	34900	1.13	34900	1.13
4	**SRF**				
	At the beginning of the year	32900	1.07	32900	1.07
	No Transaction	NIL	NIL	NIL	NIL
	At the end of the year	32900	1.07	32900	1.07
5	**PADMABEN C ZAVERI**				
	At the beginning of the year	12400	0.40	12400	0.40
	No Transaction	NIL	NIL	NIL	NIL
	At the end of the year	12400	0.40	12400	0.40
6	**SRF FINANCE LIMITED**				
	At the beginning of the year	11900	0.39	11900	0.39
	No Transaction	NIL	NIL	NIL	NIL
	At the end of the year	11900	0.39	11900	0.39
7	**CHEMIEFAB (VAPI) P. LTD.**				
	At the beginning of the year	10200	0.33	10200	0.33
	No Transaction	NIL	NIL	NIL	NIL
	At the end of the year	10200	0.33	10200	0.33
8	**GIRISH ZAVERI**				
	At the beginning of the year	4100	0.13	4100	0.13
	No Transaction	NIL	NIL	NIL	NIL
	At the end of the year	4100	0.13	4100	0.13
9	**KANTABEN K ZAVERI**				
	At the beginning of the year	4100	0.13	4100	0.13
	No Transaction	NIL	NIL	NIL	NIL
	At the end of the year	4100	0.13	4100	0.13
10	**PUSHPA SHARMA**				
	At the beginning of the year	3500	0.11	3500	0.11
	No Transaction	NIL	NIL	NIL	NIL
	At the end of the year	3500	0.11	3500	0.11

Note: The Company has not allotted any shares, issued bonus/sweat equity during the year.

e. Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Satish Bhogilal Zaveri				
	At the beginning of the year	**1088660**	**35.46**	**1088660**	**35.46**
	Correction: RTA has not taken some folios of Satish Bhogilal Zaveri in past. Same was corrected during the year.	**6100**	**0.20**	**1094760**	**35.66**
	At the end of the year	**1094760**	**35.66**	**1094760**	**35.66**
2	Sandip S Zaveri				
	At the beginning of the year	**360500**	**11.74**	**360500**	**11.74**
	No transaction	**-**	**-**	**-**	**-**
	At the end of the year	**360500**	**11.74**	**360500**	**11.74**
3	Bhanurai Nagindas Mehta				
	At the beginning of the year	**239000**	**7.79**	**239000**	**7.79**
	Correction: RTA has not taken some folios of Bhanurai Nagindas Mehta in past. Same was corrected during the year.	**3500**	**0.11**	**239000**	**7.79**
	At the end of the year	**242500**	**7.90**	**239000**	**7.79**

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

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	**13,135,836**	**53,891,000**	**-**	**67,026,836**
ii) Interest due but not paid	**-**	**-**	**-**	**-**
iii) Interest accrued but not due	**-**	**-**	**-**	**-**
Total (i+ii+iii)	**13,135,836**	**53,891,000**	**-**	**67,026,836**
Change in Indebtedness during the financial year				
* Addition	**-**	**15,700,000**	**-**	
* Reduction	**(1,065,806)**	**-**	**-**	
Net Change	**(1,065,806)**	**15,700,000**	**-**	**14,634,194**
Indebtedness at the end of the financial year				
i) Principal Amount	**12,070,030**	**69,591,000**	**-**	**81,661,030**
ii) Interest due but not paid	**-**	**-**	**-**	**-**
iii) Interest accrued but not due	**-**	**-**	**-**	**-**
Total (i+ii+iii)	**12,070,030**	**69,591,000**		**81,661,030**

g. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Sandip Satish Zaveri	
1	**Gross salary** (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	**-**	**-**
2	**Stock Option**	**-**	**-**
3	**Sweat Equity**	**-**	**-**
4	**Commission** **- as % of profit** **- others, specify…**	**-**	**-**
5	**Others, please specify**	**-**	**-**
6	**Total (A)**	**-**	
	Ceiling as per the Act	**NIL**	

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
1	Independent Directors	**-**	**-**	**-**	**-**	**-**
	Fee for attending board committee meetings	**-**	**-**	**-**	**-**	**-**
	Commission	**-**	**-**	**-**	**-**	**-**
	Others, please specify	**-**	**-**	**-**	**-**	**-**
	Total (1)	**-**	**-**	**-**	**-**	**-**
2	Other Non-Executive Directors	**-**	**-**	**-**	**-**	**-**
	Fee for attending board committee meetings	**-**	**-**	**-**	**-**	**-**
	Commission	**-**	**-**	**-**	**-**	**-**
	Others, please specify	**-**	**-**	**-**	**-**	**-**
	Total (2)	**-**	**-**	**-**	**-**	**-**
	Total (B)=(1+2)	**-**	**-**	**-**	**-**	**-**
	Total Managerial Remuneration	**-**	**-**	**-**	**-**	**-**
	Overall Ceiling as per the Act	**-**	**-**	**-**	**-**	**-**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (FY2015-16)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	**CS**	**CFO**	**Total**
1	**Gross salary***	**-**			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	**-**	**352,854**	**432,859**	**785713**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	**-**	**-**	**-**	**-**
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	**-**	**-**	**-**	**-**
2	**Stock Option**	**-**	**-**	**-**	**-**
3	**Sweat Equity**	**-**	**-**	**-**	**-**

4	**Commission**	**-**	**-**	**-**	**-**
	- as % of profit	**-**	**-**	**-**	**-**
	others, specify…	**-**	**-**	**-**	**-**
5	**Others, please specify**	**-**	**-**	**-**	**-**
	Total	**-**	**352,854**	**432,859**	**785713**

* Remuneration is for actual present days (gross salary excluding employer's and other statutory deductions.)

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Annexure E

Related Party Transactions

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis during financial year 2015-16:

(a) Name(s) of the related party and nature of relationship:	(b) Nature of contracts/arrangements/transactions:	(c) Duration of the contracts/ arrangements /transactions:	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	(e) Date(s) of approval by the Board, if any:	(f) Amount paid as advances, if any:
CS PERFORMANCE CHEMICALS PVT.LTD.	Sale of Gear Box with Assembly	One time	Rs. 25,000/-	09/11/2015	-
CS PERFORMANCE CHEMICALS PVT.LTD.	Sale of Heat Exchanger	One time	Rs. 31,200/-	12/02/2016	-
CS Specialty Chemicals Pvt. Ltd.	Purchase of CALSOLENE OIL	Purchased in three transactions	Rs. 47,197/-	12/02/2016 and 15/04/2016	-
CS PERFORMANCE CHEMICALS PVT.LTD.	Sale of REC M.S RECIVER 1KL TANK	One time	Rs. 59,440	14/08/2016	-
CS PERFORMANCE CHEMICALS PVT.LTD.	Sale of MS tank 628 litter and SS Reactor 3 KL	One time	Rs. 2,88,000	14/08/2016	-
CS Specialty Chemicals Pvt. Ltd.	Sale of Goods and Processing Charges	Ordinary Course of Business	Rs. 24,720,373	NA	-

CHEMIESYNTH (VAPI) LIMITED
Balance Sheet as at 31 March, 2016

	Particulars	Note No.	As at 31 March, 2016 ₹	As at 31 March, 2015 ₹
A	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share capital	3	30,700,000	30,700,000
	(b) Reserves and surplus	4	-8,236,149	-2,763,905
			22,463,851	27,936,095
2	**Non-current liabilities**			
	(a) Long-term borrowings	5	69,591,000	55,592,000
	(b) Other long-term liabilities	6	5,110,345	5,326,430
			74,701,345	60,918,430
3	**Current liabilities**			
	(a) Short-term borrowings	7	10,369,030	8,494,836
	(b) Trade payables	8	7,580,615	21,631,769
	(c) Other current liabilities	9	1,861,052	3,284,153
			19,810,697	33,410,758
	TOTAL		116,975,892	122,265,281
B	**ASSETS**			
1	**Non-current assets**			
	(a) Fixed assets			
	(i) Tangible assets	10	99,375,374	100,408,657
	(ii) Intangible assets	11	450,000	450,000
			99,825,374	100,858,657
	(b) Non-current investments	12	35,000	35,000
	(c) Long-term loans and advances	13	3,187,197	3,369,813
			3,222,197	3,404,813
2	**Current assets**			
	(a) Inventories	14	6,488,976	7,608,894
	(b) Trade receivables	15	4,433,998	8,157,524
	(c) Cash and cash equivalents	16	819,609	978,129
	(d) Short-term loans and advances	17	2,064,838	1,139,301
	(e) Other current assets	18	120,900	117,963
			13,928,321	18,001,810
	TOTAL		116,975,892	122,265,281
	See accompanying notes forming part of the financial statements	1 to 38		

As per our report of even date
For Manoj Shah & Co.
Chartered Accountants
Firm Reg. No: 106036W

Sd/-

Manoj T. Shah
Partner
M.No. 043777
Place: Vapi
Date: May 28, 2016

For and on behalf of the Board of Directors

Sd/-
Satish Zaveri
Director,
DIN: 00158861

Sd/-
Parimal Desai
Chief Financial Officer

Sd/-
Sandip Zaveri
Managing Director
DIN: 00158876

Sd/-
Bhupendra N. Hatkar
Company Secretary

Place: Vapi
Date: May 28, 2016

CHEMIESYNTH (VAPI) LIMITED

Statement of Profit and Loss for the year ended 31 March, 2016

	Particulars	Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
			₹	₹
1	Revenue from operations	19	51,206,664	111,338,044
2	Other income	20	250,725	211,453
3	**Total revenue (1+2)**		**51,457,389**	**111,549,497**
4	**Expenses**			
	(a) Cost of materials consumed	21	15,517,691	55,988,762
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	1,913,350	6,213,450
	(c) Employee benefits expense	23	10,613,039	11,834,410
	(d) Finance costs	24	2,087,290	2,642,662
	(e) Depreciation and amortisation expense	10,11	2,019,628	2,813,897
	(f) Other expenses	25	24,744,255	41,762,774
	Total expenses		**56,895,253**	**121,255,955**
5	**Profit / (Loss) before tax (3 ±4)**		(5,437,864)	(9,706,458)
6	**Tax expense:**			
	(a) Current tax expense for current year		-	-
	(b) Deferred tax		-	-
			-	-
7	**Profit / (Loss) for the year (5 ± 6)**		(5,437,864)	(9,706,458)
8	**Earnings per share (of Rs. 10/- each):**			
	(a) Basic		(1.77)	(3.16)
	(b) Diluted		(1.77)	(3.16)
	See accompanying notes forming part of the financial statements	1 to 38		

As per our report of even date
For Manoj Shah & Co.
Chartered Accountants
Firm Reg. No: 106036W

Sd/-

Manoj T.Shah
Partner
M.No. 043777
Place: Vapi
Date: May 28, 2016

For and on behalf of the Board of Directors

Sd/-
Satish Zaveri
Director,
DIN: 00158861

Sd/-
Parimal Desai
Chief Financial Officer

Sd/-
Sandip Zaveri
Managing Director
DIN: 00158876

Sd/-
Bhupendra N. Hatkar
Company Secretary

Place: Vapi
Date: May 28, 2016

CHEMIESYNTH (VAPI) LIMITED

Cash Flow Statement for the year ended 31 March, 2016

		For the year ended 31 March, 2016 (₹)	For the year ended 31 March, 2015 (₹)
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit/(Loss) before tax	(5,437,864)	(9,706,458)
	Adjustments for:		
	Depreciation	2,019,628	2,813,897
	Interest expenses	2,087,290	2,642,662
	Interest income	(172,218)	(182,144)
	Profit on sale of fixed assets	(78,507)	(29,309)
	Operating Profit before Working Capital Changes	**(1,581,671)**	**(4,461,352)**
	Changes in:		
	Trade Receivables and other current assets	2,795,052	(4,038,557)
	Inventories	1,119,918	9,192,502
	Long term loans and advances	182,616	(697,371)
	Trade Payables and other current liabilities	(15,474,255)	1,014,799
	CASH GENERATED FROM OPERATIONS	**(12,958,340)**	**1,010,021**
	Interest and Finance Charges	(2,087,290)	(2,642,662)
	Taxes Paid	-	-
	NET CASH FROM OPERATING ACTIVITIES (A)	**(15,045,630)**	**(1,632,641)**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Fixed Assets	(1,345,858)	(826,920)
	Interest income	172,218	182,144
	Sale of Fixed Assets	403,640	1,251,408
	Investments	-	-
	NET CASH USED IN INVESTING ACTIVITIES (B)	**(770,000)**	**606,632**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Long term borrowings availed / (repaid)	13,999,000	5,060,000
	Advance from customer repaid	(216,085)	(3,700,800)
	Increase/(Decrease) in Working Capital from Bank	1,874,194	(2,624,060)
	NET CASH FROM FINANCING ACTIVITIES (C)	**15,657,109**	**(1,264,860)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)	**(158,520)**	**(2,290,869)**
	CASH & CASH EQUIVALENTS AS AT THE COMMENCEMENT OF THE YEAR	978,129	3,268,998
	CASH & CASH EQUIVALENTS AS AT THE END OF THE YEAR	819,609	978,129
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)	**(158,520)**	**(2,290,869)**

As per our report of even date
For Manoj Shah & Co.
Chartered Accountants
Firm Reg. No: 106036W

Sd/-

Manoj T.Shah
Partner
M.No. 043777
Place: Vapi
Date: May 28, 2016

For and on behalf of the Board of Directors

Sd/-
Satish Zaveri
Director,
DIN: 00158861

Sd/-
Parimal Desai
Chief Financial Officer

Sd/-
Sandip Zaveri
Managing Director
DIN: 00158876

Sd/-
Bhupendra N. Hatkar
Company Secretary

Place: Vapi

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

1 **CORPORATE INFORMATION**

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

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, under the historical cost convention, except for certain tangible assets which are being carried at revalued amounts.Pursuant to section 133 of the Companies Act, 2013 read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015,Indian Accounting Standards would be applicable to the company for the Accounting periods beginning from April 1, 2017, with a transition date of April 1, 2016.

2 **SIGNIFICANT ACCOUNTING POLICIES**

a) FIXED ASSETS

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

b) INVENTORIES

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

c) EXCISE DUTY

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

d) RETIREMENT BENEFITS

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

e) PURCHASE AND SALE

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

f) TAXATION

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

Note 3 Share capital

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of Rs. 10/- each with voting rights	3,250,000	32,500,000	3,250,000	32,500,000
(b) Issued, subscribed and fully paid up Equity shares of Rs. 10/- each with voting rights	3,070,000	30,700,000	3,070,000	30,700,000
Total	**3,070,000**	**30,700,000**	**3,070,000**	**30,700,000**

CHEMIESYNTH (VAPI) LIMITED

Notes forming part of the financial statements

Notes:

(i) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Satish B Zaveri	1,094,760	35.66%	1,082,960	35.26%
Sandip S Zaveri	360,500	11.74%	360,500	11.74%
United Phosphorous Ltd	921,000	30.00%	921,000	30.00%
Bhanurai N Mehta	242,500	7.90%	239,000	7.78%

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

Particulars	Aggregate number of shares	
	As at 31 March, 2016	As at 31 March, 2015
Equity shares with voting rights		
(a) Fully paid up pursuant to a contract for consideration other than cash	147,000	147,000
(b) Fully paid up by way of bonus shares	2,107,500	2,107,500

(iii) Terms / rights attached to equity shares

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

Note 4 Reserves and surplus

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
(a) Securities premium account Balance as at year end	12,650,000	12,650,000
(b) Revaluation reserve Opening balance	1,521,123	1,555,503
Add: Addition on revaluations during the year		
Less: Utilised for set off against depreciation Written back / other utilisations during the year (give details)	(34,380)	(34,380)
Closing balance	1,486,743	1,521,123
(c) Cash Subsidy		
Balance as at year end	1,156,929	1,156,929
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(18,091,957)	(8,385,499)
Add: Profit / (Loss) for the year	(5,437,864)	(9,706,458)
Closing balance	(23,529,821)	(18,091,957)
Total	(8,236,149)	(2,763,905)

Note 5 Long-term borrowings

Particulars	As at 31 March, 2016 ₹.	As at 31 March, 2015 ₹
(a) Term loans		
From banks		
Secured		1,701,000
(b) Loans from Directors and members		
Unsecured	69,591,000	53,891,000
Total	69,591,000	55,592,000

Notes:

The term loan is secured by:

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

(b) Personal guarantee of directors of the company.

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

Note 6 Other long-term liabilities

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
(a) Others:		
(i) Advances from customers	5,110,345	5,326,430
Total	5,110,345	5,326,430

Note 7 Short-term borrowings

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
(a) Loans repayable on demand		
From banks		
Secured	10,369,030	8,494,836
Total	10,369,030	8,494,836

Notes:
(i) Details of security for the secured short-term borrowings:
Loans repayable on demand from Bank of Baroda, SSI VIE branch, Vapi is secured by first and exclusive charge on inventories including stocks of raw materials, finished goods, work in process, stores and spares, receivables and equitable mortgage on the Land and buildings of the Company.

Note 8 Trade payables

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
Trade payables:		
Other than Acceptances		
(a) Total outstanding dues of Micro and Small Enterprises	-	-
(b) Total outstanding of other payables	7,580,615	21,631,769
Total	**7,580,615**	**21,631,769**

Note 9 Other current liabilities

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
(a) Current maturities of long-term debt (Refer Note (i) below)	1,701,000	2,940,000
(a) Other payables		
(i) Statutory liabilities	160,052	344,153
Total	1,861,052	3,284,153

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
(b) Term loans		
From banks		
Secured	1,701,000	2,940,000
Total	1,701,000	2,940,000

CHEMIESYNTH (VAPI) LIMITED

Notes forming part of the financial statements

NOTE:-10,11 FIXED ASSETS

		GROSS BLOCK				DEPRECIATION					NET BLOCK	
SR. NO.	PARTICULARS	AS AT 01.04.2015 (Rs.)	ADDITIONS DURING THE YEAR (Rs.)	DEDUCTION DURING THE YEAR	AS AT 31.03.2016 (Rs.)	UP TO 31.03.2015 (Rs.)	DURING THE YEAR (Rs.)	RECOUPED	ON REVALU-ATION(Rs.)	AS AT 31.03.2016 (Rs.)	AS AT 31.03.2016 (Rs.)	AS AT 31.03.2015 (Rs.)
11	***Intangible Assets:***											
1	Goodwill	450,000	-	-	450,000	-	-	-	-	-	450,000	450,000
	TOTAL Rs.	450,000	-	-	450,000	-	-	-	-	-	450,000	450,000
10	***Tangible Assets:***											
1	Leasehold Land	1,528,000			1,528,000						1,528,000	1,528,000
2	Buildings	42,389,742	13,303		42,403,045	12,891,582	767,599		34,380	13,693,561	28,709,484	29,498,160
3	Plant & Machinery	112,137,090	1,254,682	480,105	112,911,667	44,177,732	1,005,584	154,972	-	45,028,344	67,883,323	67,959,358
4	Furniture & Fixture & Other Equipments	6,296,734	16,373	-	6,313,107	5,365,860	152,761	-	-	5,518,621	794,486	930,874
5	Vehicles	2,773,220	60,000	-	2,833,220	2,330,974	84,515	-	-	2,415,489	417,731	442,246
6	Computers	777,587	1,500	-	779,087	727,568	9,169	-	-	736,737	42,350	50,019
	TOTAL Rs.	165,902,373	1,345,858	480,105	166,768,126	65,493,716	2,019,628	154,972	34,380	67,392,752	99,375,374	100,408,657
	GRAND TOTAL Rs.	166,352,373	1,345,858	480,105	167,218,126	65,493,716	2,019,628	154,972	34,380	67,392,752	99,825,374	100,858,657
	PREVIOUS YEAR TOTAL Rs.	167,612,541	826,920	2,087,088	166,352,373	63,510,428	2,813,897	864,989	34,380	65,493,716	100,858,657	104,102,113

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

Note 12 Non-current investments

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
Investments (At cost):		
Trade, Unquoted:		
(a).National Savings Certificates - VIII Issue (Held in the name of employee of the Company (nominee) and deposited with Government Department)	35,000	35,000
Total - Trade	35,000	35,000
Total	35,000	35,000

Note 13 Long-term loans and advances

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
(a) Security deposits		
Secured, considered good	-	-
Unsecured, considered good	1,772,714	1,647,714
	1,772,714	1,647,714
(b) Loans and advances to employees		
Unsecured, considered good	799,358	909,458
(c) Advance income tax (net of provisions Rs. Nil (As at 31 March, 2015 Rs. Nil) - Unsecured, considered good	615,125	812,641
Total	3,187,197	3,369,813

Note 14 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
(a) Raw materials	2,094,724	1,257,913
	2,094,724	1,257,913
(b) Work-in-progress	3,513,125	5,426,475
	3,513,125	5,426,475
(c) Finished goods (other than those acquired for trading)	135	135
	135	135
(d) Stores and spares including fuel	880,992	924,371
	880,992	924,371
Total	6,488,976	7,608,894

Note: Details of inventory of work-in-progress

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
4 SNA	267,000	934,500
5 NI	68,100	-
2:6 Di Chloro 4 Amino Phenol	26,100	30,450
CAR-III	376,425	638,925
Other items	2,775,500	3,822,600
	3,513,125	5,426,475

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

Note 15 Trade receivables

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	44,250	
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
Less: Provision for doubtful trade receivables	-	-
	-	-
Other Trade receivables		
Unsecured, considered good	4,389,748	8,157,524
	4,389,748	8,157,524
Total	4,433,998	8,157,524

Note 16 Cash and cash equivalents

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
(a) Cash on hand	31,283	29,841
(b) Balances with banks		
(i) In current accounts	788,326	704,288
(iii) In deposit accounts (Refer Note (i) below)	-	244,000
Total	819,609	978,129
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 *Cash Flow Statements* is	819,609	978,129

Note 17 Short-term loans and advances

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
(a) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	1,041,099	743,439
(ii) Service Tax credit receivable	1,010,317	282,930
(iii) Excise refund receivable	-	64,458
(b) Advance to suppliers	13,422	48,474
Total	2,064,838	1,139,301

Note 18 Other current assets

Particulars	As at 31 March, 2016	As at 31 March, 2015
	₹	₹
(a) Accruals		
(i) Interest accrued on deposits	120,900	117,963
Total	120,900	117,963

CHEMIESYNTH (VAPI) LIMITED

Notes forming part of the financial statements

Note 19 Revenue from operations

	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		₹	₹
(a)	Sale of products (Refer Note (i) below)	25,135,890	85,841,811
(b)	Job Work charges	25,435,500	24,504,490
(c)	Other operating revenues (Refer Note (ii) below)	635,274	991,743
	Total	**51,206,664**	**111,338,044**

Note	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		₹	₹
(i)	Sale of products comprises:		
	Manufactured goods		
	4 SNA	15,872,200	18,909,200
	5 NI	3,258,640	3,057,111
	CAR-III	-	-
	2:6 Di Chloro 4 Amino Phenol	16,250	38,618,000
	DEMAP Aldehyde	3,343,500	23,352,500
	2:4 DCBS	276,100	1,905,000
	OTHERS	2,369,200	-
	Total - Sale of manufactured goods	25,135,890	85,841,811
	Total - Sale of products	25,135,890	85,841,811
(ii)	Other operating revenues:		
	Sale of waste products	433,309	487,347
	Sale of scrap	201,965	504,396
	Total - Other operating revenues	635,274	991,743

Note 20 Other income

	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		₹	₹
(a)	Interest income (Refer Note (i) below)	172,218	182,144
(b)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	78,507	29,309
	Total	250,725	211,453

Note	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		₹	₹
(i)	Interest income comprises:		
	Interest from banks on:		
	deposits	152,118	171,093
	Interest on income tax refund	20,100	11,051
	Total - Interest income	172,218	182,144

Note	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		₹	₹
(ii)	Other non-operating income comprises:		
	Profit on sale of assets	78,507	29,309
	Total - Other non-operating income	78,507	29,309

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

Note 21 Cost of materials consumed

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	₹	₹
Opening stock	1,257,913	4,178,764
Add: Purchases	16,354,502	53,067,911
	17,612,415	57,246,675
Less: Closing stock	(2,094,724)	(1,257,913)
Cost of material consumed	15,517,691	55,988,762
Material consumed comprises:		
Ace Napthene	1,265,830	2,429,982
Fast Red RL Base	1,269,000	-
Caustic Soda Lye	973,094	2,804,311
2:6 Di Chloro Phenol	-	10,484,250
Potassium Permanganate	6,005,102	8,135,153
Di Ethyl Meta Amino Phenol	610,000	13,696,300
Other items	5,394,665	18,438,766
Total	15,517,691	55,988,762

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

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	₹	₹
Inventories at the end of the year:		
Finished goods	135	135
Work-in-progress	3,513,125	5,426,475
	3,513,260	5,426,610
Inventories at the beginning of the year:		
Finished goods	135	5,016,960
Work-in-progress	5,426,475	6,623,100
	5,426,610	11,640,060
Net (increase) / decrease	1,913,350	6,213,450

Note 23 Employee benefits expense

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	₹	₹
Salaries and wages	8,623,745	10,094,860
Contributions to provident and other funds	1,224,489	1,409,457
Gratuity	432,205	-
Staff welfare expenses	332,600	330,093
Total	10,613,039	11,834,410

Note 24 Finance costs

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	₹	₹
(a) Interest expense on:		
(i) Borrowings	2,087,290	2,642,662
Total	2,087,290	2,642,662

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

Note 25 Other expenses

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	₹	₹
Consumption of stores and spare parts	2,283,399	2,428,034
Consumption of packing materials	56,498	738,795
Job work charges	214,100	492,831
Power and fuel	9,428,961	15,487,472
Water charges	905,675	1,316,448
Repairs and maintenance - Buildings	35,750	190,401
Repairs and maintenance - Machinery	579,561	1,471,738
Repairs and maintenance - Others	17,417	110,445
Insurance	229,652	277,042
Rates and taxes	76,291	123,515
Communication	204,866	222,605
Travelling and conveyance	239,627	349,778
Printing and stationery	127,526	108,132
Freight and forwarding	720,837	736,600
Legal and professional fees	1,000,675	752,431
Payments to auditors (Refer Note (i) below)	40,000	40,000
Service charges	133,579	157,214
Contract labour charges	3,497,392	6,040,146
Bank charges	194,288	231,332
Effluent treatment and disposal charges	1,180,012	5,456,797
Miscellaneous expenses	3,578,149	5,031,018
Total	24,744,255	41,762,774

Notes:

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	₹	₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	40,000	40,000
Total	40,000	40,000

26 Contingent Liabilities not provided for in respect of :
Letter of Guarantees issued by the Bank Rs. 10,000/- (Rs. 10,000/-)

27 The depreciation provided during the year includes Rs. 0.34 Lacs on the increased gross value of Buildings arising on revaluation and the same is recouped from Revaluation Reserve.

28 The Balances of Debtors, Creditors & Loans & Advances are subject to confirmations.

29 The company has not received any intimation from suppliers regarding their status under the Micro, Small & Medium Enterprise Devlopment Act,2006 and hence disclosure requirements in the this regard could not be provided.

30 The Company's primary business segment is manufacturing of Dyes & Intermediates. Based on guiding principles given in Accounting Standard on " Segment Reporting" AS-17 issued by the Institute of Chartered Accountants of India. this activity falls with in a single primary business segment and accordingly the disclosure requirements of AS-17 in this regard are not applicable.

31 The Company has not recognised Net Deferred Tax Asset of Rs. 10,370,410/-

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

32 **Related party Disclosures**

During the year the company entered into transaction with the related parties. Those transactions along with related balances as at 31st March,2016 and for the year then ended are presented in the following table.

a). Related parties where control exists.	2015-16	2014-15
1). Joint venture	Nil	Nil
2).Associates		
A). CS Speciality chemical Pvt Ltd		
Sales of goods/Processing charges	24,720,373	25,627,055
Purchase of goods	47,197	2,188,800
Outstanding balance as at the year end receivable (Net)	1,105,283	550,511
B). CS Performance Chemicals Pvt Ltd		
Sale of Asset	403,640	NIL
Outstanding balance as at the year end	NIL	NIL
3).Key Management Personnel and their relatives		
Mr.Satish B Zaveri		
Mr.Sandeep S. Zaveri (Son)		
Mrs.Kamal S Zaveri (Spouse)		
Nature of transactions		
Salary paid to Director(including contribution to PF)		
Mr.Sandeep S. Zaveri	-	168,504
Outstanding balance as at year end		

33 **Payment to Auditors :**

	2015-2016	2014-2015
	Rs.	Rs.
a) For Statutory Audit Fees	35,000	35,000
b) For Tax Audit Fees	5,000	5,000
	40,000	40,000

34 **Earnings per Share:**

Profit/(Loss) after taxation	(5,437,864)	(9,706,458)
Number of Equity Shares	3,070,000	3,070,000
Nominal Value per Share (Rs.)	10	10
Earnings per share	(1.77)	(3.16)

35 VALUES & PERCENTAGE OF IMPORTED AND INDIGENOUS RAW MATERIAL CONSUMPTION

	Value Rs.	Percentage
1. Imported	1,265,830	8.16%
	(5,071,182)	9.06%
2. Indigenous	14,251,861	91.84%
	(50,917,580)	90.94%
Total	15,517,691	100%
	(55,988,762)	(100)%

36 C.I.F Value of Imports 2,127,648 (4,419,600)

37 Export at FOB Value 3,248,038 (3,039,862)

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

For and on behalf of the Board of Directors

Sd/-
Satish Zaveri
Director,
DIN: 00158861

Sd/-
Parimal Desai
Chief Financial Officer

Sd/-
Sandip Zaveri
Managing Director
DIN: 00158876

Sd/-
Bhupendra N. Hatkar
Company Secretary

Place: Vapi
Date: May 28, 2016

INDEPENDENT AUDITORS' REPORT

To,
THE MEMBERS OF
CHEMIESYNTH (VAPI) LIMITED,

REPORT ON THE FINANCIAL STATEMENTS:

We have audited the accompanying financial statements of CHEMIESYNTH (VAPI) LIMITED, ("the Company") which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY:

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

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

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

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

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

OPINION:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of Affairs of the Company as at 31st March, 2016, and its Loss and its Cash Flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

a) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

ii. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.

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

iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

v. On the basis of written representations received from the Directors as on 31st March, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.

vi. On the basis of the information and explanation of the Company provided to us, in our opinion, the Company has adequate internal financial controls systems in place and the operating effectiveness of such controls.

vii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

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

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

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

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

Place : Vapi.
Date : 28/05/2016

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

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

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

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

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

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company , the Title Deeds of Immovable Properties of the Company are held in the name of the Company.

ii. In respect of its inventories;

a) As explained to us, the inventories, other than materials in transit & materials lying with third parties, were physically verified by the Management at reasonable intervals during the year.

b) In our opinion and according to the information and explanation given to us, no material discrepancies were noticed on physical verification.

iii. According to information & explanation given to us, the Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, requirement of clauses (iii,a), (iii,b) and (iiic) of paragraph 3 of the Order are not applicable.

iv. In our opinion and according to the information and explanations given to us,the Company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

v. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits during the year. Therefore the provisions of the Clause 3(v) of the Companies(Auditor's Report) Order, 2016 are not applicable to the Company.

vi. As explained to us, the Central Government has not prescribed the maintenance of Cost Records under sub-section (1) of section 148 of the Companies Act, 2013 for the Company’s products.

vii. According to the information and explanations given to us in respect of statutory dues;

a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed statutory dues in arrears as at **31st March, 2016** for a period of more than six months from the date they become payable.

viii. Based on our audit procedures and according to the information and explanations given by the management we are of the opinion that the Company has not defaulted in the repayment of Loans or Borrowings to Banks as at the Balance Sheet date. The Company has not obtained any loan from financial institutions, debenture holders and Government.

ix. The Company has not taken any Term Loans during the year. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

x. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its Officers or Employees has been noticed or reported during the course of our audit.

xi. The Company has not paid any managerial remuneration as laid down by the provisions of section 197 read with schedule V to the Companies Act, 2013

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. In our opinion all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore the provisions of clause 3(xiv) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transaction, with Directors or persons connected with the Directors. Accordingly , paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Place : Vapi.
Date : 28/05/2016

Secretarial Audit Report

Form No. MR-3

For the financial year ended on 31st March, 2016.

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

To,
The Members,
CHEMIESYNTH (VAPI) LIMITED

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

Based on our verification of the Chemiesynth (Vapi) Limited, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers and minute books, Forms and returns filed and other records maintained by the Company, for the year ended on 31st March, 2016 according to the applicable provisions, if any, of:

I. The Companies Act, 1956 and the Companies Act, 2013 (**the Act**) and the Rules made there under, as applicable.
II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under.
III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.
V. The following following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") to the extent applicable to the Company:
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period**);
    e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
    f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – (**Not applicable for the period under audit**).
    g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period)**.

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (with effect from 1st December, 2015);

ii) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards and Listing Agreement/Obligations mentioned above subject to the following observation*:*

1. The appointment of Internal Auditor as required under section 138 of Companies Act, 2013 has not been made by the Company.

We further report that:

The Board of Directors of the Company is duly constituted and balance of Executive Directors, Non-Executive Directors and Independent Directors is in compliance with the provisions of the Act. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

- The Company has sought the shareholders approval in the Extra Ordinary General Meeting held on 28th March, 2016 for creation of charge on the assets of the Company and for increase in borrowing limit up to Rs.15,00,00,000/- (Rupees Fifteen Crores Only)
- The Company has appointed Mr. Bhupendra Hatkar as Company Secretary w.e.f. 27th April, 2016.
- Mrs. Purvi Gandhi a women director resigned on 28th March, 2016 and thereafter no women director was appointed.

Date: 26th August, 2016.
Place: Vapi

For HS Associates
Company Secretaries
Sd/-
Nitin Sarfare
Partner
ACS No.: 36769
CP No.: 13729

CHEMIESYNTH (VAPI) LIMITED

Reg. Off.: Plot No 27, GIDC Vapi, Dist. Valsad, Gujarat, India.
Phone No. +91 260 2432885 Fax No. +91 260 2432036
Web: www.chemiesynth.com **Email:** corporate@chemiesynth.com
CIN: L24110GJ1986PLC008634

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

Proxy Form for 30th Annual General Meeting dated 26/09/2016

I/We..... being a Member/Members of the above named Company holding ..... Shares Folio No/Client ID: ..... DP ID:....., hereby appoint

1.Mr. /Ms..... Address:..... ... Mail ID:..... **Signature: .....**	**Failing person at No.1. 2.Mr. /Ms..... Address:..... ..... Mail ID:.....** **Signature: .....**	**Failing person at No.2. 3.Mr. /Ms..... Address:..... ... Mail ID:.....** **Signature: .....**

as my/our Proxy to attend and vote for me/us on my/our behalf at the **30th Annual General Meeting** of the Company, to be held on 26th day of September, 2016 at 11:30 A.M. and at any adjournment thereof.

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

Sr. No.	Resolution	For	Against
	ORDINARY BUSINESS:		
1	To receive, consider and adopt the financial statements for the year ended March 31, 2016 to gather with reports of Board of Directors and Auditors thereon.		
2	To appoint a director in place of Mr. Satish B. Zaveri (DIN: 00158861), liable to retire by rotation and being eligible, seeks reappointment.		
3	To ratify appointment of M/s. Manoj Shah & Co., Chartered Accountants as Auditors of the Company.		
	SPECIAL BUSINESS		
4	To approve related party transactions.		

Signed this _____day of _____ 2016.

Signature

Affix Revenue Stamp not less than Re.1/-

Name: .....
Address: .....
.....
.....

Folio No./ DPID. .....
Client ID No. .....
No. of Shares. .....

Notes: 1. *The Proxy, to be effective, should be deposited at the Registered Office of the Company at Plot No. 27, GIDC, Vapi 396 195. not later than FORTY-EIGHT HOURS before the commencement of the aforesaid meeting.* ***2.*** *A Proxy need not be a Member of the Company.* ***(*3.)*** *This is only optional. Please put a 'X' in the appropriate box against the resolutions. If you leave the 'FOR' or 'AGAINST' box blank against the resolution, your Proxy will be entitled to vote in the manner as he/she thinks appropriate. Should you so desire, you may also appoint the Chairman of the Company as your Proxy, who shall carry out your mandate as indicated above.* ***4.*** *Attendance for the Annual General Meeting can be recorded using the attendance slip of Annual General Meeting.*

CHEMIESYNTH (VAPI) LIMITED

Reg. Off.: Plot No 27, GIDC Vapi, Dist. Valsad, Gujarat, India.
Phone No. +91 260 2432885 Fax No. +91 260 2432036
Web: www.chemiesynth.com **Email:** corporate@chemiesynth.com
CIN: L24110GJ1986PLC008634

ASSENT / DISSENT FORM FOR VOTING ON 30TH AGM RESOLUTIONS

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

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

3. i) Registered Folio No.: .....

ii) DP ID No. & Client ID No. :.....
(Applicable for Members holding shares in dematerialized form)

4. Number of Shares held:
I/We hereby exercise my / our vote in respect of the following resolutions to be passed for the business stated in the Notice of the 30th Annual General Meeting dated September 26, 2016, by conveying my / our assent / dissent to the resolutions by placing (√) mark in the appropriate box below:

Sr. No.	Resolution	No. of Shares	I/We assent to the Resolution (FOR)	No. of Shares	I/We dissent to the Resolution (Against)
ORDINARY BUSINESS:					
1.	To receive, consider and adopt the financial statements for the year ended March 31, 2016 to gather with reports of Board of Directors and Auditors thereon.				
2.	To appoint a director in place of Mr. Satish B. Zaveri (DIN: 00158861), liable to retire by rotation and being eligible, seeks reappointment.				
3.	To ratify appointment of M/s. Manoj Shah & Co., Chartered Accountants as Auditors of the Company.				
SPECIAL BUSINESS					
4.	To approve related party transactions.				

Date:
Place:

Signature of Shareholder
/Authorised Representative

Note: Please read the instructions carefully before completing this Assent / Dissent Form.

Instructions for Assent / Dissent Form :

General Instructions:

1. This Ballot Form (i.e. Assent/Dissent Form) is provided for the benefit of Members who do not have access to e-voting facility, to enable them to send their assent or dissent by post.

2. A Member can opt for only one mode of voting i.e either by post or through e-voting. If a Member casts votes by both modes, then voting done through a valid physical ballot form shall prevail and e-voting of that Member shall be treated as invalid.

3. For detailed instructions on e-voting, please refer to the notes appended to the 30th Annual General Meeting Notice.

4. The Scrutiniser will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.

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

1. Please complete and sign the Ballot Form (Cut the form from this annual report) and send it so as to reach the Scrutiniser appointed by the Board of Directors of the Company, Mr. Nitin Sarfare, Partner of M/s. HS Associates, Company Secretaries, 206, 2nd Floor, Tantia & Jogani Industrial premises, Sitaram Mills Compound, J. L. Boricha Marg, Opp. Lodha Exelus, Lower Parel [E], Mumbai - 400 011, not later than the close of the working hours (5.00 pm) on 23rd September, 2016. Ballot Forms received after 23rd September, 2016 will be strictly treated as if the reply from the members has not been received.

2. The form should be signed by the Member as per the specimen signature registered with the Company / Depository Participants. In case of joint holding, the form should be completed and signed by the first named member and in his / her absence, by the next named joint holder. There will be one Form for every Folio / Client ID irrespective of the number of joint holders. A Power of Attorney (POA) holder may vote on behalf of a member, mentioning the registration number of the POA or enclosing an attested copy of the POA. Exercise of vote is not permitted through proxy.

3. For shares held by Companies, Bodies Corporate, Trusts, Societies, etc the duly completed Form should be accompanied by a certified true copy of the board Resolution / authorization together with attested specimen signature(s) of the duly authorized signatory(ies).

4. Votes should be cast in case of each resolution, either in favour or against by putting the tick (√) mark in the column provided for assent / dissent. Members may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed the member's total shareholding. If the shareholders does not indicate either "FOR" or "AGAINST" in case of any resolution, it will be treated as "ABSTAIN" for that resolution and the shares held will not be counted under either head.

5. The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on 20th September, 2016 ("Cut off Date") as per the Register of Members of the Company and as informed to the Company by the Depositories in case of Beneficial owners.

6. A Member may request for a duplicate Ballot form, if so required. However the duly filled in and signed duplicate form should reach the Scrutiniser not later than the date specified at Sr. No.1 above.

7. Unsigned, incomplete, improperly or incorrectly tick marked Ballot forms will be rejected. A form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutiniser to identify either the member or the number of votes or as to whether the votes are in favour or against or if the signature cannot be verified. The Scrutiniser's decision on the validity of a Ballot will be final.

8. Members are requested not to send any other paper along with the Ballot Form in the envelope containing the ballot form as all such envelopes will be sent to the Scrutiniser and any other paper found in such envelope would be destroyed by him. They are also requested not to write anything on the ballot form except giving their assent or dissent and putting their signature.

9. Members may address any query to Mr. Bhupendra N. Hatkar, Company Secretary, at the Registered office of the Company, Tel. No. 0260-2401327 or by email at bhupenchemiesynth@gmail.com.

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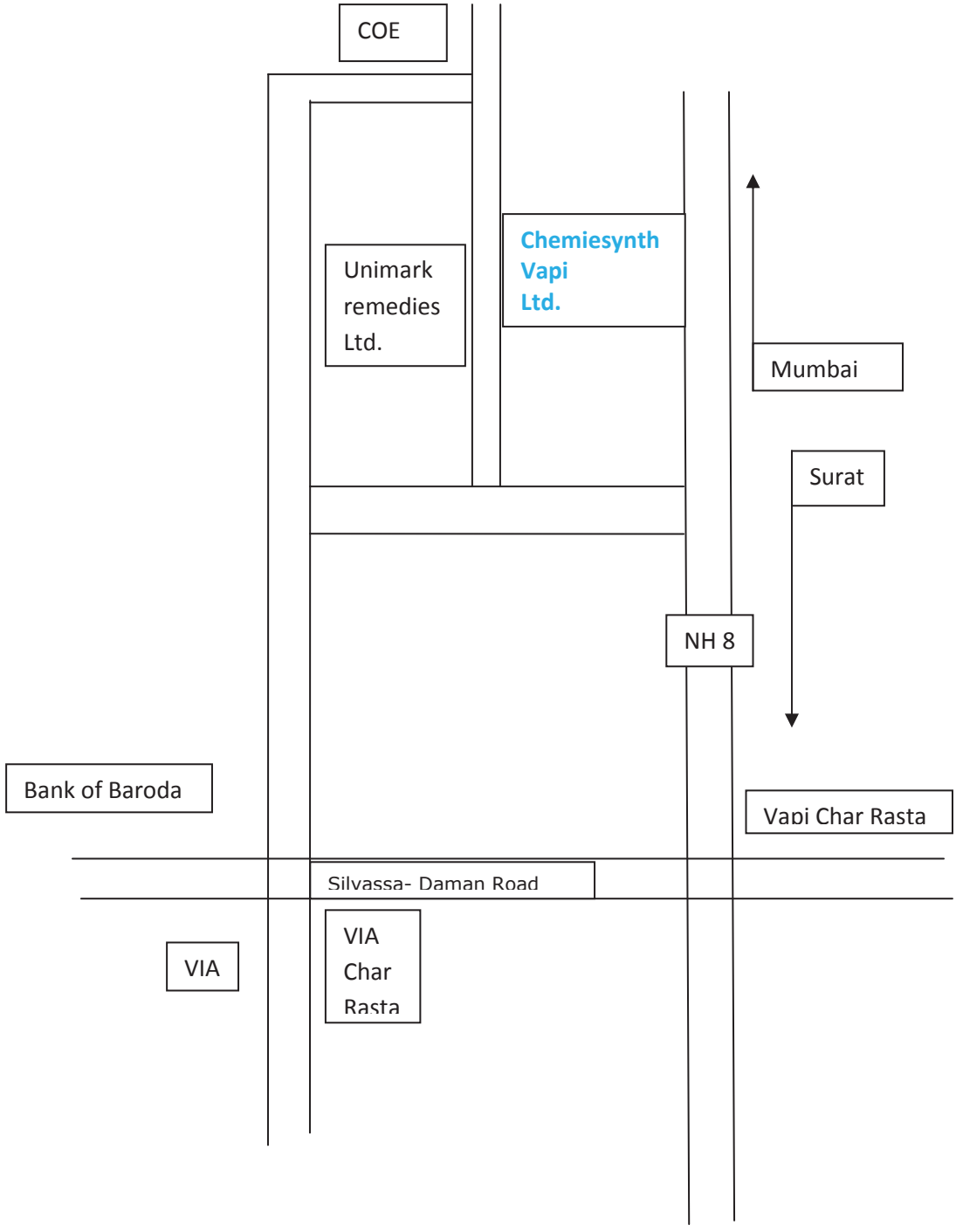
Route Map: Chemiesynth (Vapi) Limited

Nearest Railway station: Vapi

Nearest Landmark: Unimark Remedies Limited