



## **CHEMIESYNTH (VAPI) LIMITED**

**Regd office:** Plot No. 27, GIDC, Phase-1, Vapi - 396195

CIN: L24110GJ1986PLC008634, GST Reg no: 24AAACC9688H1ZC, Telephone no: 02221010500, Email id: csl@chemiesynth.com

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Date: 2nd September 2020

**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,

This is with reference to the Thirty Fourth Annual General Meeting ("AGM") of the members of Chemiesynth Vapi Limited to be held on Wednesday, 30th September 2020 at 11.30 A.M.

In this regard, we enclosed herewith, pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015, Annual Report of the company for financial year 2019-20

Kindly take on your records.

Yours faithfully,

**For Chemiesynth (Vapi) Limited.**

**Shinil Nambrath**

**Company Secretary & Compliance Officer**

**Encl.:** Annual Report 2019-20



**Annual Report  
2019-20**

**Chemiesynth (Vapi) Limited**



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## **Corporate Information**

### **Board of Director:**

|                               |  |
|-------------------------------|--|
| MR. SATISH BHOGILAL ZAVERI    | - Non Independent Non Executive Director |
| MR. SANDIP SATISHBHAI ZAVERI  | - Managing Director                      |
| MR. BHANURAI NAGINDAS MEHTA   | - Non Independent Non Executive Director |
| MR. RUSHABH SURESH MEHTA      | - Non Independent Non Executive Director |
| MR. PRAMOD GOPALDAS GUJARATHI | - Independent Director                   |
| MRS.ZARNA NILESH SHAH         | - Woman Independent Director             |

### **Auditors:**

M/s. Milin J. Jani & Co.,  
Chartered Accountant, Ahmedabad.

### **Secretarial Auditors:**

Mr. Nitin Sarfare,  
Company Secretaries, Mumbai

### **Registered Office:**

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

### **Audit Committee:**

|                         |            |
|-------------------------|------------|
| Ms. Zarna N. Shah       | - Chairman |
| Mr. Pramod G. Gujarathi | - Member   |
| Mr. Sandip Zaveri       | - Member   |

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

Purva Shareregistry (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. Pramod G Gujarathi | - Chairman |
| Mr. Zarna N. Shah      | - Member   |
| Mr. Bhanurai Mehta     | - Member   |

### **34th Annual General Meeting:**

Day : Wednesday  
Date : 30th September, 2020  
Venue : Plot No. 27, GIDC, Vapi  
Dist. Valsad – 396 195  
Time : 11:30 AM

### **Book Closure:**

Date: 24/09/2020 to 30/09/2020  
Both days inclusive

### **Company Secretary &**

#### **Compliance Officer:**

Mr. Shinil U. Nambrath

#### **Bankers:**

Bank of Barod  
Vapi, Industrial Branch

### **Chief Financial Officer:**

Mr. Parimal A. Desai

### **Website:**

[www.chemiesynth.com](http://www.chemiesynth.com)

### **CIN:**

L24110GJ1986PLC008634

### **Share Registrar & Transfer agent**

Purva Shareregistry (India) Pvt Ltd  
Lower Parel- Mumbai

**CHEMIESYNTH (VAPI) LIMITED**  
**Plot No. 27, GIDC, Vapi, Dist. Valsad, Gujarat - 396195**  
**CIN: L24110GJ1986PLC008634**



**: Notice :**

Notice is hereby given that the 34th Annual General Meeting of the Members of **CHEMIESYNTH (VAPI) LIMITED** will be held on Wednesday, 30th September 2020 at 11:30 AM at the Registered Office of the Company at Plot No. 27, GIDC, Vapi, Dist. Valsad, Gujarat – 396195 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, 2020, including the audited Balance Sheet as at March 31, 2020, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.
2. To appoint a director in place of Mr. Bhanuraj N Mehta (DIN: 00158885), liable to retire by rotation in term of section 152(6) of the Companies Act, 2013 and being eligible, seeks reappointment and to pass the following resolution as **ordinary resolution**:

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

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

**Place:** Vapi

**Date:** 31st August, 2020

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

**DIN: 00158876**

**NOTES:**

1. 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.
2. 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.
3. 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.
4. 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.

5. Brief resume of all Directors including those proposed to be appointed or 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.
6. 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.
7. The Register of Members and Share Transfer Books will remain closed from 24th September, 2020 to 30th September, 2020 (Both days inclusive).
8. 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.
9. 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>.
10. 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.

#### **11. 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 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 34th 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 Sunday, 27th September, 2020 at 11.00 a.m. and ends on Tuesday, 29th September, 2020 at 5.00 p.m.

Mr. Nitin Sarfare, Proprietor of Nitin Sarfare & Associates, Company Secretaries, C-502, Raylon Arcade, Ram Krishna Mandir Road, Andheri (East), Mumbai – 400 059, 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 34th 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:

#### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

### **How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is:  |
|--|---|
| a) For Members who hold shares in demat account with NSDL.     | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.   |
| b) For Members who hold shares in demat account with CDSL.     | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12***** then your user ID is 12*****   |
| c) For Members holding shares in Physical Form.                | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.



6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [1234.nitin@gmail.com](mailto:1234.nitin@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**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 **23rd September, 2020**, may obtain their user ID and password for e-voting from Company's Registrar & Transfer Agents, Purva Shareregistry (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 Sunday, 27th September, 2020 at 11.00 a.m. and ends on Tuesday, 29th September, 2020 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 23rd September, 2020**, may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter at 5.00 p.m. on Tuesday, 29<sup>th</sup> September, 2020. 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](http://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. Friday, 2nd October, 2020. 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](http://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.

12. 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. 23rd September, 2020.

**13. 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.

## **DETAILS OF THE DIRECTOR LIABLE TO RETIRE BY ROTATION AND ELIGIBLE FOR REAPPOINTMENT:**

### **Item No.2**

Mr. Bhanuraj N Mehta (DIN: 00158885) is a director liable to retire by rotation. In term of section 152(6) of the Companies Act, 2013, Mr. Bhanuraj N Mehta (DIN: 00158885) shall retire at the forthcoming Annual General Meeting and being eligible offers himself for reappointment. Accordingly, the Board recommends his re-appointment.

He has more than 42 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. Other details are annexed with the board report as "Annexure A"

Except Mr. Bhanuraj N Mehta, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 2.

The Board of Directors recommends the resolution for the approval of the shareholders.

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

**Place:** Vapi

**Date:** 31<sup>st</sup> August 2020

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

## **DIRECTORS' REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2020**

**Dear Shareholders,**

Your Directors present the 34th Annual Report and Audited Financial Statements of the company for the year ended 31st March, 2020.

### **FINANCIAL RESULTS**

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

**(Amount in Rupees)**

| <b>Particulars:</b>                         | <b>Current Year<br/>(2019-20)</b> | <b>Previous Year<br/>(2018-19)</b> |
|---|-----------------------------------|------------------------------------|
| <b>Gross Income</b>                         | <b>146,804,455</b>                | <b>112,587,543</b>                 |
| <b>Profit /(Loss) before Depreciation</b>   | <b>21,275,571</b>                 | <b>19,130,610</b>                  |
| <b>Less : Depreciation</b>                  | <b>(5,491,794)</b>                | <b>(4,568,855)</b>                 |
| <b>Profit (Loss) before Tax</b>             | <b>15,783,777</b>                 | <b>14,561,755</b>                  |
| <b>Less Provision for Tax : Current Tax</b> | <b>27,15,000</b>                  | <b>28,25,000</b>                   |
| <b>: Deferred Tax</b>                       | <b>-----</b>                      | <b>-----</b>                       |
| <b>Profit (Loss) for the year</b>           | <b>13,068,777</b>                 | <b>11,736,755</b>                  |

### **OPERATIONS/STATE OF COMPANY'S AFFAIRS**

#### **i. Total Income**

Your Company's Total Income during the year under review was Rs. 146,804,455/- as compared to Rs. 112,587,543/- in the Previous Year.

#### **ii. Profits**

Profit before Tax for the year 2019-20 was Rs. 15,783,777/- against Rs. 14,561,755/- in the previous year. Profit after Tax for the year 2019-20 stood at Rs. 13,068,777/- as against Rs. 11,736,755/- in the previous year.

### **SHARE CAPITAL**

The paid-up Equity Share Capital of the Company as on March 31, 2020 was Rs. 3.07 crore comprising of 30,70,000 equity shares of 10 each. During the year under review, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity. The Company has paid Listing Fees for the Financial Year 2020-21, to Bombay Stock Exchanges, where its equity shares are listed.

### **MATERIAL CHANGES AND COMMITMENT- IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FINANCIAL YEAR TILL DATE OF THIS REPORT:**

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Report, except for the impact arising out of COVID-19, which is detailed elsewhere in this Report.

### **COVID-19 AND ITS IMPACT**

The Directors have been closely reviewing with the Management, the impact of COVID-19 on the Company. Your Company had to temporarily suspend operations at its plants and locations as per the directives of the Government and keeping in mind the paramount need of safety of the employees. The operations, though in a scaled down manner, have since commenced after obtaining permissions from the authorities concerned and all safety measures including social distancing are being followed. The dispatches to customers have also recommenced. The Management is in constant touch with its customers on the evolving situation and are making all efforts to service their requirements with minimal delays. The situation created by Covid-19 continues to hold some uncertainties for the future; however, the Board and

the Management will do its best to address the same, as the situation evolves, in the interests of all stakeholders of the Company.

#### **DIVIDEND**

With a view to deploy the profits into the existing operations of your Company, Board of Directors has not recommended any dividend for the year.

#### **CAPITAL EXPENDITURE**

During the Financial Year 2019-20, Rs. 45,37,115/- was incurred towards capital expenditure primarily on account of repair, maintenance, modernization, upgradation, replanting and other programmes undertaken in the unit of the Company.

#### **DEPOSITS**

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

#### **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 workers, officers and other staff members of the Company are given training, from time to time, to deal with any safety and health related emergency situations. The factory buildings, machineries and intellectual information properties 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).

#### **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the financial year 2019-20, the Company has not received any complaints on sexual harassment.

#### **LISTING WITH STOCK EXCHANGE:**

The Company confirms that it has paid the Annual Listing Fees for the year 2020-2021 to BSE where the Company's Shares are listed.

#### **INSIDER TRADING REGULATIONS AND CODE OF DISCLOSURE**

The Board of Directors has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and is available on our website <http://www.chemiesynth.com/>.

**AUDITORS**

At the 31st Annual General Meeting of the Company held on 26th day of September, 2017 M/s. Milin J. Jani & Co., Chartered Accountants, (Firm No.: 106396W) were appointed as the Statutory Auditors of the Company from the conclusion of 31st AGM till the conclusion of the 36th AGM of the Company.

**STATUTORY AUDITORS OBSERVATION:**

The Report given by the Auditors on the financial statements of your Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

**SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Act and the rules made there under, the Company had appointed M/s. Nitin Sarfare, Company Secretaries, to undertake the Secretarial Audit of the Company for the year ended March 31, 2020. A Secretarial Audit Report for the year ended 31st March, 2020 in prescribed form duly audited by the Practising Company Secretary, Mr. Nitin Sarfare, Proprietor of Nitin Sarfare, Company Secretaries, 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. Dematerialisation of the Promoters shareholding are in process. 97% Of the Promoters Shareholding has been dematerialised and promoters are in the process of dematerialising the remaining physical shares. Other remarks of the Secretarial Auditor is self-explanatory.

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

| Sr. No. | Performance evaluation of | Performance evaluation performed by                                     | Criteria   |
|---------|---------------------------|---|--|
| 1.      | Each Individual directors | Nomination and Remuneration Committee                                   | Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and guidance provided, key performance aspects in case of executive directors etc.  |
| 2.      | Independent directors;    | Entire Board of Directors excluding the director who is being evaluated | Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution, and guidance provided etc.   |
| 3.      | Board, and its committees | All directors   | Board composition and structure; effectiveness of Board processes, information and functioning, fulfillment of key responsibilities, performance of specific duties and obligations, timely flow of information etc. The assessment of committees based on the terms of reference of the committees and effectiveness of the meetings. |

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

The details of Loans and Investments and guarantees covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statements forming part of Annual Report.

#### **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 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, the Board of Directors, to the best of its knowledge and ability confirm that :

- (a) in the preparation of the annual accounts for the Financial Year ended March 31, 2020, the applicable accounting standards have been followed and there are no material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the Annual Accounts for the Financial Year ended March 31, 2020 on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

- (a) The Company has a proper and adequate system of internal financial controls commensurate with its nature and size of business and meets the following objectives:
- (b) Providing assurance regarding the effectiveness and efficiency of operations;
- (c) Efficient use and safeguarding of resources;
- (d) Compliance with policies, procedures and applicable laws and regulations; and
- (e) Transactions being accurately recorded and reported timely.
- (f) The Company has a budgetary control system to monitor expenditures and operations against budgets on an ongoing basis.

#### **REPORTING OF FRAUDS**

There were no instances of frauds during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or the Board under Section 143(12) of the Act and the rules made thereunder.

#### **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, 2020. Meetings of Board of Directors were held during financial year 2019-20 are as follows:

|   |                                |
|---|--------------------------------|
| 1 | 8 <sup>th</sup> May 2019       |
| 2 | 16 <sup>th</sup> May, 2019     |
| 3 | 30 <sup>th</sup> May, 2019     |
| 4 | 22 <sup>nd</sup> July, 2019    |
| 5 | 12 <sup>th</sup> August, 2019  |
| 6 | 19 <sup>th</sup> August, 2019  |
| 7 | 22 <sup>nd</sup> October, 2019 |
| 8 | 14 <sup>th</sup> November 2019 |
| 9 | 12 <sup>th</sup> February 2020 |

The Board as on 31st March, 2020 comprises of 6 (Six) Directors out of which two Directors are Non-Executive Independent Directors and three 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 Company satisfies the criteria of having minimum no of independent directors in the board as per the provisions of Companies Act 2013. Further, the Company is not required to satisfy the criteria of minimum of Independent Directors as per SEBI (LODR) 2015 regulations, as the corporate governance clauses are not applicable to the company.

Detail of attendance at Board Meeting is as follows:

| Name of Director       | No. of Board Meetings held during financial year 2019-20 | 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  | 7                              | NIL  | NIL   |
| Mr. Sandip S Zaveri    | 9  | 9                              | NIL  | NIL   |
| Mr. Bhanuraj N Mehta   | 9  | 8                              | NIL  | NIL   |
| Mr. Rushabh S Mehta    | 9  | 7                              | NIL  | NIL   |
| Mr. Pramod G Gujarathi | 9  | 9                              | NIL  | NIL   |
| Ms. Zarna Shah         | 9  | 9                              | 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.

#### **DETAILS OF COMMITTEE OF DIRECTORS (AS ON 31<sup>ST</sup> MARCH, 2020)**

##### **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 2018-19 is as follows:

| Name  | Chairman/ Member | No. of Audit committee meetings | No. of Audit Committee meetings attended |
|---|------------------|---------------------------------|--|
| Ms. Zarna Shah (Independent Director)       | Chairman         | 4                               | 4  |
| Mr. Pramod Gujarathi (Independent Director) | Member           | 4                               | 4  |
| Mr. Sandip Zaveri (Managing Director)       | Member           | 4                               | 4  |

Audit Committee meeting were held 4 times on the following dates during the year 2019-20:

1.) 30<sup>th</sup> May 2019, 2.) 12<sup>th</sup> August 2019, 3)14<sup>th</sup> November 2019, 4.)12<sup>th</sup> February 2020.

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. Pramod G Gujarathi | - Chairman |
| Mr. Zarna Shah         | - Member   |
| Mr. Bhanuraj Mehta     | - Member   |

During the financial year 2019-20, Nomination and Remuneration Committee met one time. The meeting was held on 22<sup>nd</sup> July 2019. All committee members were present at both meeting.

#### **C. SHAREHOLDER/INVESTORS GRIEVANCE COMMITTEE :**

Your Company is not required to constitute a Shareholder/Investors Grievance committee under section 178 (5) of Companies Act, 2013 and under regulation 20 of SEBI (LODR) Regulations, 2015

#### **D. SHARE TRANSFER COMMITTEE**

The Board of Directors in its meeting dated 28th May, 2016 had constituted Share transfer committee for approving transfer request received from Registrar & Share Transfer Agent. Composition of the committee is as follows:

|    |                   |            |
|----|-------------------|------------|
| A. | Sandip S. Zaveri  | - Chairman |
| B. | Satish B. Zaveri  | - Member   |
| C. | Bhanuraj N. Mehta | - Member   |

Share transfer committee met two times in FY 2018-19 and all members were present in the meeting.

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

Particulars of Contracts or Arrangements with Related Parties referred to in Section 188 (1) in Form AOC-2 are annexed as "Annexure E" to this Report.

#### **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 :**

No Changes has been made in the key managerial personnel of the company.

The following is list of Key Managerial Personnel of the company.

|                          |                           |
|--------------------------|---------------------------|
| Mr. Sandip Satish Zaveri | - Managing Director       |
| Mr. Parimal A. Desai     | - Chief Financial Officer |
| Mr. Shinil U Nambrath    | - Company Secretary       |

#### **DIRECTORS**

Mr. Bhanuraj N Mehta, (DIN: 00158885) Director of the Company, would retire by rotation, at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment.

During the year under review, Mr. Sandip Satish Zaveri (DIN:00158876) was reappointed as the Managing Director of the company at the 33<sup>rd</sup> AGM for a tenure of five years.

#### **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

#### **SUBSIDIARIES AND ASSOCIATE COMPANY'S**

As on 31st March, 2020, Company has no subsidiaries and associate companies.

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

The Management's Discussion and Analysis Report for the year under review is annexed to this report (Annexure F).

#### **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant or material orders which were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's Operations in future.

#### **SECRETARIAL STANDARDS**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

#### **CORPORATE GOVERNANCE**

The company falls under the criteria 15(2) (a) of the Listing Obligations & Disclosure requirements (LODR) Regulations, 2015 as the Paid-up capital of the company was below Rs. 10 Crores and net worth was below Rs. 25 Crores as on the

last day of the previous financial year. Hence compliance with Corporate Governance provisions as per Listing Obligations & Disclosure requirements (LODR) Regulations, 2015 are not applicable to company.

#### 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 Director**

**Place:** Vapi

**Date:** 31/08/2020

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

**Mr. Satish B. Zaveri**  
**Director**  
**DIN: 00158861**

### **Annexure. A**

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

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

| <b>Date of Birth</b>   | <b>Date of Appointment</b> | <b>Qualification</b>  | <b>DIN</b> | <b>Number of Shares held in the Company</b> |
|--|----------------------------|---|------------|---|
| 25/04/1938   | 24/04/1986                 | B.E. (Chemical Engineering)                                   | 00158861   | 119,760                                     |
| <b>Directorship Held in other companies (excluding foreign companies)</b>                |                            | <b>Membership/Chairmanship of committees of other company</b> |            |   |
| 1. CS Specialty Chemicals Private Limited<br>2. CS Performance Chemicals Private Limited |                            | <b>NIL</b>  |            |   |

##### **Expertise in specific functional areas:**

He has more than 48 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**

| <b>Date of Birth</b>  | <b>Date of Appointment</b> | <b>Qualification</b>  | <b>DIN</b> | <b>Number of Shares held in the Company</b> |
|---|----------------------------|---|------------|---|
| 07/11/1969  | 30/06/2001                 | BE, MS Chemical Engineering                                   | 00158876   | 464,000                                     |
| <b>Directorship Held in other companies (excluding foreign companies)</b>   |                            | <b>Membership/Chairmanship of committees of other company</b> |            |   |
| 1. CS Bio - Sciences Private Limited<br>2. CS Specialty Chemicals Private Limited<br>3. CS Performance Chemicals Private Limited<br>4. CS Fine Interchem Private Limited<br>5. Star Performance Chemicals Private Limited |                            | <b>NIL</b>  |            |   |

##### **Expertise in specific functional areas:**

He has more than 20 years experience in chemical industry as a technocrat entrepreneur. With his experience in the business activities and strategic planning, he is helpful in decision taking in the business of the Company.

### 3. Mr. Bhanuraj Nagindas Mehta

| Date of Birth   | Date of Appointment | Qualification   | DIN      | Number of Shares held in the Company |
|---|---------------------|---|----------|--------------------------------------|
| 12/10/1937  | 02/11/1994          | Automobile Engineer   | 00158885 | 225,520                              |
| <b>Directorship Held in other companies (excluding foreign companies)</b> |                     | <b>Membership/Chairmanship of committees of other company</b> |          |                                      |
| 1. CS Specialty Chemicals Private Limited                                 |                     | <b>NIL</b>  |          |                                      |

#### Expertise in specific functional areas:

He has more than 42 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. Rushabh Mehta

| Date of Birth   | Date of Appointment | Qualification   | DIN      | Number of Shares held in the Company |
|---|---------------------|---|----------|--------------------------------------|
| 18/11/1968  | 28/09/2018          | B.Com   | 00784327 | <b>NIL</b>                           |
| <b>Directorship Held in other companies (excluding foreign companies)</b>                               |                     | <b>Membership/Chairmanship of committees of other company</b> |          |                                      |
| 1. Felicity Exports Private Limited<br>2. Royal House Agency Private Limited<br>3. Lekar Pharma Limited |                     | <b>NIL</b>  |          |                                      |

#### Expertise in specific functional areas:

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

### 5. Ms. Zarna Nilesh Shah

| Date of Birth   | Date of Appointment | Qualification   | DIN      | Number of Shares held in the Company |
|---|---------------------|---|----------|--------------------------------------|
| 24/09/1991  | 08/08/2018          | Chartered Accountant  | 08182313 | <b>NIL</b>                           |
| <b>Directorship Held in other companies (excluding foreign companies)</b> |                     | <b>Membership/Chairmanship of committees of other company</b> |          |                                      |
| <b>NIL</b>  |                     | <b>NIL</b>  |          |                                      |

#### Expertise in specific functional areas:

She is Chartered Accountant and having depth knowledge of financial statements and laws. Her expertise in accounting field and her knowledge in regulatory area will help the board to take sound decision.

### 6. Mr. Pramod Gopaldas Gujarathi

| Date of Birth   | Date of Appointment | Qualification   | DIN      | Number of Shares held in the Company |
|---|---------------------|---|----------|--------------------------------------|
| 25/06/1952  | 30/05/2018          | Chemical Engineer   | 00418958 | <b>NIL</b>                           |
| <b>Directorship Held in other companies (excluding foreign companies)</b> |                     | <b>Membership/Chairmanship of committees of other company</b> |          |                                      |
| SRF Limited   |                     | <b>NIL</b>  |          |                                      |

#### Qualification:

B. Tech. (Chemical Engineering) IIT, Bombay (1976).

Post Graduate Diploma in Management Studies, Bombay University (1984).

Consistent high academic record in school and college and National Scholarship Holder.

**Work Experience :**

Over 40 Years of work experience in Chemical Industry which includes :

1. Director of Safety and Environment with SRF Limited
2. Director and Site Manager – Technical in Bayer Vapi Pvt Ltd.  
During his tenure in Bayer, he was made incharge of Site Management, Production, Maintenance, Safety, Environment and other related functions like R&D, QA etc.
3. Chief Manager in Lubrizol (I) Ltd.

## **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. 13,214,743 |
| Foreign Exchange Outgo   | Rs. 16,139,197 |

## **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 2019-20.  | Director's Name                       | Ratio to mean remuneration          |
|   |  | No remuneration paid to any director  | Not Applicable                      |
| 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 2019-20 compared to 2018-19. | Director's/CFO/CEO/CS/ Mgr name       | % age increase in remuneration      |
|   |  | Mr. Sandip Zaveri (Managing Director) | No Remuneration Paid in the 2019-20 |
|   |  | Mr. Parimal Desai (CFO)               | 13.97%                              |
|   |  | Mr. Shinil Nambrath (CS)              | 13.99%                              |
| 3 | Percentage increase in the median remuneration of employees in the financial year 2019-20  | 6.97%                                 |                                     |

|    |  |   |                         |   |  |
|----|--|---|-------------------------|---|--|
|    | compared to 2018-19.   |   |                         |   |  |
| 4  | Number of permanent employees on the rolls of the company  | As on 31.03.2020  |                         | As on 31.03.2019                              |  |
|    |  | 37  |                         | 41  |  |
| 5  | Explanation on the relationship between average increase in remuneration and the company performance   | Though company is finding hard for better performance, Increment to employees are given as per industry trends.       |                         |   |  |
| 6  | Comparison of the remuneration of the Key Managerial Personnel against the performance of the company  | Total Remuneration of KMP: Rs. 11,70,128<br>Turnover: Rs. 14,56,43,701<br>Remuneration of KMP as of Turnover : 0.80 % |                         |   |  |
| 7  | Variation in   | 31.03.2020  |                         | 31.03.2019                                    |  |
|    | Market Capitalization  | Not available. Trading on BSE yet to commence   |                         | Not available. Trading on BSE yet to commence |  |
|    | Price Earning Ratio  |   |                         |   |  |
|    | Percentage Increase/decrease of market quotations  |   |                         |   |  |
|    | Net worth of the Company   | Rs. 4,89,52,459   |                         | Rs. 3,58,83,682                               |  |
| 8  | Average percentile increase in salaries of Employees other than managerial personnel   | (2.38)  |                         |   |  |
|    | Average Increase in Managerial Remuneration  | 17.16%  |                         |   |  |
|    |  |   |                         |   |  |
| 9  | Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company   |   |                         |   |  |
|    |  | Mr. Sandip S Zaveri (Managing Director)   | Mr. Parimal Desai (CFO) | Mr. Shinil Nambrath (Company Secretary)       |  |
|    | Remuneration   | Not Paid  | 7,58,871                | 4,11,257                                      |  |
|    | Turnover   | 14,56,43,701  |                         |   |  |
|    | Remuneration as % of Turnover  | Not Applicable  | 0.52%                   | 0.28%   |  |
| 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)   | None of the directors has been paid remuneration. Hence it is not comparable.   |                         |   |  |
| 12 | Affirmation that the remuneration is as per the remuneration policy of the Company :<br><br><b>The directors hereby confirm that the Company is paying remuneration to employees as per the remuneration policy of the Company. And none of the directors has been paid remuneration in the F Y 2019-20.</b> |   |                         |   |  |
| 13 | Statement showing details of employees of the Company who is drawing remuneration more than 1 crore 2 lakhs per annum or 8.5 lakhs per month.  |   |                         |   |  |
|    | <b>No employee is drawing remuneration more than Rs. 1 crore 2 laksh per annum or Rs. 8.5 lakhs per month</b>  |   |                         |   |  |

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 (Other than KMP's) are based on net salary (excluding all deductions including employers Contribution to PF, ESIC, Professional tax) earned by them.

# **ANNEXURE D**

## **FORM NO. MGT 9**

### **EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2020

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:**

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

| <b>S. No.</b> | <b>Name and Description of main products / services</b> | <b>NIC Code of the Product/service</b> | <b>% to total turnover of the company</b> |
|---------------|---|--|---|
| <b>1</b>      | Nitro Ethyl Carbozle                                    | 20110                                  | 23.85%                                    |
| <b>2</b>      | 4SNA  | 20110                                  | 29.84%                                    |

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

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

#### **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 31.03.2019 |              |                |                   | No. of Shares held at the end of the year 31.03.2020 |              |                |                   | % Change during the year |
|---|--|--------------|----------------|-------------------|--|--------------|----------------|-------------------|--------------------------|
|   | Demat  | Physical     | Total          | % of Total Shares | Demat  | Physical     | Total          | % of Total Shares |                          |
| <b>A. Promoters</b>   |  |              |                |                   |  |              |                |                   |                          |
| <b>(1) Indian</b>   |  |              |                |                   |  |              |                |                   |                          |
| a) Individual/ HUF  | 1772580  | 65120        | 1837700        | 59.86             | 1849080  | 65120        | 1914200        | 62.35             | 2.49                     |
| b) Central Govt   | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| c) State Govt(s)  | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| d) Bodies Corp.   | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| e) Banks / FI   | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| f) Any other  | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| <b>(2) Foreign</b>  |  |              |                |                   |  |              |                |                   |                          |
| (a) NRI Individuals   | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| (b) Other Individuals   | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| (c) Bodies Corp.  | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| (d) Banks/FI  | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| (e) Any Other...  | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| <b>Total shareholding of Promoter (A)</b>                                 | <b>1772580</b>   | <b>65120</b> | <b>1837700</b> | <b>59.86</b>      | <b>1849080</b>                                       | <b>65120</b> | <b>1914200</b> | <b>62.35</b>      | <b>2.49</b>              |
| <b>B. Public Shareholding</b>   |  |              |                |                   |  |              |                |                   |                          |
| <b>1. Institutions</b>  |  |              |                |                   |  |              |                |                   |                          |
| a) Mutual Funds   | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| b) Banks / FI   | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| c) Central Govt   | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| d) State Govt(s)  | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| e) Venture Capital Funds  | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| f) Insurance Companies  | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| <b>g) FIIs</b>  | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| h) Foreign Venture Capital Funds  | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| i) Others (specify)   | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| <b>Sub-total (B)(1):-</b>   | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| <b>2. Non-Institutions</b>  |  |              |                |                   |  |              |                |                   |                          |
| a) Bodies Corp.   | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| i) Indian   | 921000   | 91000        | 1012000        | 32.96             | 921000   | 91000        | 1012000        | 32.96             | 0.00                     |
| ii) Overseas  | -  | -            | -              | -                 | -  | -            | -              | -                 | -                        |
| b) Individuals  |  |              |                |                   |  |              |                |                   |                          |
| i) Individual shareholders holding nominal share capital up to Rs. 1 lakh | 6200   | 72800        | 79000          | 2.57              | 6200   | 70800        | 77000          | 2.51              | -0.07                    |

|   |                |               |                |              |                |               |                |              |              |
|---|----------------|---------------|----------------|--------------|----------------|---------------|----------------|--------------|--------------|
| <b>ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh</b> | <b>0</b>       | <b>141100</b> | <b>141100</b>  | <b>4.60</b>  | <b>54200</b>   | <b>12400</b>  | <b>66600</b>   | <b>2.17</b>  | <b>-2.43</b> |
| <b>c) Others (specify)</b>  | -              | -             | -              | -            | -              | -             | -              | -            | -            |
| <b>Non Resident Indians</b>   | -              | -             | -              | -            | -              | -             | -              | -            | -            |
| <b>Overseas Corporate Bodies</b>  | -              | -             | -              | -            | -              | -             | -              | -            | -            |
| <b>Foreign Nationals</b>  | -              | -             | -              | -            | -              | -             | -              | -            | -            |
| <b>Clearing Members</b>   | -              | -             | -              | -            | -              | -             | -              | -            | -            |
| <b>Trusts</b>   | -              | -             | -              | -            | -              | -             | -              | -            | -            |
| <b>Hindu Undivided Family</b>   | <b>200</b>     | <b>0</b>      | <b>200</b>     | <b>0.01</b>  | <b>200</b>     | <b>0</b>      | <b>200</b>     | <b>0.01</b>  | <b>0.00</b>  |
| <b>Foreign Bodies - D R</b>   | -              | -             | -              | -            | -              | -             | -              | -            | -            |
| <b>Sub-total (B)(2):-</b>   | <b>927400</b>  | <b>304900</b> | <b>1232300</b> | <b>40.14</b> | <b>981600</b>  | <b>174200</b> | <b>1155800</b> | <b>37.65</b> | <b>-2.49</b> |
| <b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>                                     | <b>927400</b>  | <b>304900</b> | <b>1232300</b> | <b>40.14</b> | <b>981600</b>  | <b>174200</b> | <b>1155800</b> | <b>37.65</b> | <b>-2.49</b> |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                                  | -              | -             | -              | -            | -              | -             | -              | -            | -            |
| <b>Grand Total (A+B+C)</b>  | <b>2699980</b> | <b>370020</b> | <b>3070000</b> | <b>100</b>   | <b>2830680</b> | <b>239320</b> | <b>3070000</b> | <b>100</b>   | <b>0</b>     |

**b. Shareholding of Promoter-**

| SN        | Shareholder's Name      | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in share holding 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 |   |
| <b>1</b>  | Satish Bhogilal Zaveri  | <b>1119760</b>                            | <b>36.47</b>                     | <b>0.00</b>                                      | <b>1119760</b>                      | <b>36.47</b>                     | <b>0.00</b>                                      | <b>0.00</b>                               |
| <b>2</b>  | Sandip S Zaveri         | <b>464000</b>                             | <b>15.11</b>                     | <b>0.00</b>                                      | <b>389500</b>                       | <b>12.69</b>                     | <b>0.00</b>                                      | <b>2.43</b>                               |
| <b>3</b>  | Bhanurai Nagindas Mehta | <b>225520</b>                             | <b>7.35</b>                      | <b>0.00</b>                                      | <b>225520</b>                       | <b>7.35</b>                      | <b>0.00</b>                                      | <b>0.00</b>                               |
| <b>4</b>  | Charu Bhanurai Mehta    | <b>38000</b>                              | <b>1.24</b>                      | <b>0.00</b>                                      | <b>36000</b>                        | <b>1.17</b>                      | <b>0.00</b>                                      | <b>0.07</b>                               |
| <b>5</b>  | Sushila Ramesh Zaveri   | <b>24000</b>                              | <b>0.78</b>                      | <b>0.00</b>                                      | <b>24000</b>                        | <b>0.78</b>                      | <b>0.00</b>                                      | <b>0.00</b>                               |
| <b>6</b>  | Kamal Satish Zaveri     | <b>12000</b>                              | <b>0.39</b>                      | <b>0.00</b>                                      | <b>12000</b>                        | <b>0.39</b>                      | <b>0.00</b>                                      | <b>0.00</b>                               |
| <b>7</b>  | Panna Suresh Mehta      | <b>14000</b>                              | <b>0.46</b>                      | <b>0.00</b>                                      | <b>14000</b>                        | <b>0.46</b>                      | <b>0.00</b>                                      | <b>0.00</b>                               |
| <b>8</b>  | Rushabh Bhanurai Mehta  | <b>1320</b>                               | <b>0.04</b>                      | <b>0.00</b>                                      | <b>1320</b>                         | <b>0.04</b>                      | <b>0.00</b>                                      | <b>0.00</b>                               |
| <b>9</b>  | Dilip Champaklal Zaveri | <b>6600</b>                               | <b>0.21</b>                      | <b>0.00</b>                                      | <b>6600</b>                         | <b>0.21</b>                      | <b>0.00</b>                                      | <b>0.00</b>                               |
| <b>10</b> | R Balasubramanian       | <b>6000</b>                               | <b>0.20</b>                      | <b>0.00</b>                                      | <b>6000</b>                         | <b>0.20</b>                      | <b>0.00</b>                                      | <b>0.00</b>                               |
| <b>11</b> | Gautam Ramesh Zaveri    | <b>3000</b>                               | <b>0.10</b>                      | <b>0.00</b>                                      | <b>3000</b>                         | <b>0.10</b>                      | <b>0.00</b>                                      | <b>0.00</b>                               |



|  |              |                |              |             |                |              |             |             |
|--|--------------|----------------|--------------|-------------|----------------|--------------|-------------|-------------|
|  | <b>Total</b> | <b>1837700</b> | <b>59.86</b> | <b>0.00</b> | <b>1914200</b> | <b>62.35</b> | <b>0.00</b> | <b>2.50</b> |
|--|--------------|----------------|--------------|-------------|----------------|--------------|-------------|-------------|

**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 |                                  | Type |
|----|--------------------------|---|----------------------------------|---|----------------------------------|------|
|    |                          | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |      |
| 1. | SATISH BHOGILAL ZAVERI   | 1119760                                   | 36.47                            |   |                                  |      |
|    | 31-03-2020               |   |                                  | 1119760                                 | 36.47                            |      |
|    |                          |   |                                  |   |                                  |      |
| 2. | ZAVERI SANDIP SATISH     | 389500                                    | 12.69                            |   |                                  |      |
|    | 05-04-2019               | 74500                                     | 2.43                             | 464000                                  | 15.11                            | Buy  |
|    | 31-07-2019               | -74500                                    | -2.43                            | 389500                                  | 12.69                            | Sell |
|    | 02-08-2019               | 74500                                     | 2.43                             | 464000                                  | 15.11                            | Buy  |
|    | 31-03-2020               |   |                                  | 464000                                  | 15.11                            |      |
|    |                          |   |                                  |   |                                  |      |
| 3  | BHANURAI NAGINDAS MEHTA  | 225520                                    | 7.35                             |   |                                  |      |
|    | 31-03-2020               |   |                                  | 225520                                  | 7.35                             |      |
|    |                          |   |                                  |   |                                  |      |
| 4  | CHARULATA BHANURAI MEHTA | 36000                                     | 1.17                             |   |                                  |      |
|    | 27-09-2019               | 2000                                      | 0.07                             | 38000                                   | 1.24                             | Buy  |
|    | 31-03-2020               |   |                                  | 38000                                   | 1.24                             |      |
|    |                          |   |                                  |   |                                  |      |
| 5  | SUSHILA RAMESH ZAVERI    | 24000                                     | 0.78                             |   |                                  |      |
|    | 31-03-2020               |   |                                  | 24000                                   | 0.78                             |      |
|    |                          |   |                                  |   |                                  |      |
| 6  | PANNA SURESH MEHTA       | 14000                                     | 0.46                             |   |                                  |      |
|    | 31-03-2020               |   |                                  | 14000                                   | 0.46                             |      |
|    |                          |   |                                  |   |                                  |      |
| 7  | KAMAL S ZAVERI           | 12000                                     | 0.39                             |   |                                  |      |
|    | 31-03-2020               |   |                                  | 12000                                   | 0.39                             |      |
|    |                          |   |                                  |   |                                  |      |
| 8  | DILIP CHAMPAKLAL ZAVERI  | 6600                                      | 0.21                             |   |                                  |      |
|    | 31-03-2020               |   |                                  | 6600                                    | 0.21                             |      |
|    |                          |   |                                  |   |                                  |      |
| 9  | BALASUBRAMANIAN RAMAN    | 6000                                      | 0.20                             |   |                                  |      |
|    | 31-03-2020               |   |                                  | 6000                                    | 0.20                             |      |

|    |                             |      |      |      |      |  |
|----|-----------------------------|------|------|------|------|--|
|    |                             |      |      |      |      |  |
| 10 | GAUTAM RAMESHCHANDRA ZAVERI | 3000 | 0.10 |      |      |  |
|    | 31-03-2020                  |      |      | 3000 | 0.10 |  |
|    |                             |      |      |      |      |  |
| 11 | RUSHABH BHANURAI MEHTA      | 1320 | 0.04 |      |      |  |
|    | 31-03-2020                  |      |      | 1320 | 0.04 |  |
|    |                             |      |      |      |      |  |

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

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

| D. Sharedholding Pattern of top ten Shareholders: |                                 |   |                                  |  |   |      |
|---|---------------------------------|---|----------------------------------|--|---|------|
| SL No.  | ShareHolder's Name              | ShareHolding at the beginning of the year |                                  | Cumulative ShareHolding at the end of the year |   |      |
|   |                                 | 30/03/2019                                |                                  | 31/03/2020                                     |   |      |
|   |                                 | No of Shares                              | % of Total Shares of the Company | No. of Shares                                  | % change in share holding during the year | Type |
| 1   | UPL LIMITED                     | 921000                                    | 30.00                            |  |   |      |
|   | 31-03-2020                      |   |                                  | 921000   | 30.00                                     |      |
| 2   | GAURAV MALLIK                   | 128700                                    | 4.19                             |  |   |      |
|   | 05-04-2019                      | -128700                                   | -4.19                            | 0  | 0.00                                      | Sell |
|   | 31-03-2020                      |   |                                  | 0  | 0.00                                      |      |
| 3   | SOUTH DELHI INVESTMENTS (P) LTD | 34900                                     | 1.14                             |  |   |      |
|   | 31-03-2020                      |   |                                  | 34900  | 1.14                                      |      |
| 4   | SRF                             | 32900                                     | 1.07                             |  |   |      |
|   | 31-03-2020                      |   |                                  | 32900  | 1.07                                      |      |
| 5   | PADMABEN C ZAVERI               | 12400                                     | 0.40                             |  |   |      |
|   | 31-03-2020                      |   |                                  | 12400  | 0.40                                      |      |
| 6   | SRF FINANCE LIMITED             | 11900                                     | 0.39                             |  |   |      |
|   | 31-03-2020                      |   |                                  | 11900  | 0.39                                      |      |
| 7   | CHEMIEFAB (VAPI) P. LTD.        | 10200                                     | 0.33                             |  |   |      |
|   | 31-03-2020                      |   |                                  | 10200  | 0.33                                      |      |
| 8   | KANTABEN K ZAVERI               | 4100                                      | 0.13                             |  |   |      |
|   | 05-04-2019                      | -4100                                     | -0.13                            | 0  | 0.00                                      | Sell |
|   | 31-03-2020                      |   |                                  | 0  | 0.00                                      |      |
| 9   | GIRISH ZAVERI                   | 4100                                      | 0.13                             |  |   |      |

|    |                  |        |       |       |      |      |
|----|------------------|--------|-------|-------|------|------|
|    | 31-03-2020       |        |       | 4100  | 0.13 |      |
| 10 | PUSHPA SHARMA    | 3500   | 0.11  |       |      |      |
|    | 31-03-2020       |        |       | 3500  | 0.11 |      |
| 11 | RAMESH MALLIK    | 0      | 0.00  |       |      |      |
|    | 05-04-2019       | 54200  | 1.77  | 54200 | 1.77 | Buy  |
|    | 22-08-2019       | -54200 | -1.77 | 0     | 0.00 | Sell |
|    | 30-08-2019       | 54200  | 1.77  | 54200 | 1.77 | Buy  |
|    | 31-03-2020       |        |       | 54200 | 1.77 |      |
| 12 | GIRISH K. ZAVERI | 0      | 0.00  |       |      |      |
|    | 05-04-2019       | 4100   | 0.13  | 4100  | 0.13 | Buy  |
|    | 31-03-2020       |        |       | 4100  | 0.13 |      |

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

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

| SL No. | ShareHolder's Name                            | ShareHolding at the beginning of the year |                                  | Cumulative ShareHolding at the end of the year |   |      |
|--------|---|---|----------------------------------|--|---|------|
|        |   | 30/03/2019                                |                                  | 31/03/2020                                     |   |      |
|        |   | No of Shares                              | % of Total Shares of the Company | No. of Shares                                  | % change in share holding during the year | Type |
| 1      | ZAVERI SANDIP SATISH (Managing Director)      | 389500                                    | 12.69                            |  |   |      |
|        | 05-04-2019                                    | 74500                                     | 2.43                             | 464000   | 15.11                                     | Buy  |
|        | 31-07-2019                                    | -74500                                    | -2.43                            | 389500   | 12.69                                     | Sell |
|        | 02-08-2019                                    | 74500                                     | 2.43                             | 464000   | 15.11                                     | Buy  |
|        | 31-03-2020                                    |   |                                  | 464000   | 15.11                                     |      |
| 2      | MR. PRAIMAL A DESAI (Chief Financial Officer) | 0   | 0.00                             |  |   |      |
|        | 31-03-2020                                    |   |                                  | 0  | 0.00                                      |      |
| 3      | MR. SHINIL U NAMBRATH (Company Secretary)     | 0   | 0.00                             |  |   |      |
|        | 31-03-2020                                    |   |                                  | 0  | 0.00                                      |      |

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

|   | Secured<br>Loans<br>excluding<br>deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|---|---|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year |   |                    |          |                       |
| i) Principal Amount                                 | 73,50,661                                 | 69,490,000         | -        | 76,840,661            |
| ii) Interest due but not paid                       | -   | -                  | -        | -                     |
| iii) Interest accrued but not due                   | -   | -                  | -        | -                     |
| Total (i+ii+iii)                                    | 73,50,661                                 | 69,490,000         | -        | 76,840,661            |
| Change in Indebtedness during the financial year    | -   | -                  | -        | -                     |
| * Addition  | 20,465,769                                | -                  | -        | -                     |
| * Reduction   | -   | -                  | -        | -                     |
| Net Change  | 20,465,769                                | -                  | -        | -                     |
| Indebtedness at the end of the financial year       |   |                    |          |                       |
| i) Principal Amount                                 | 27,816,430                                | 69,490,000         | -        | 97,306,430            |
| ii) Interest due but not paid                       | -   | -                  | -        | -                     |
| iii) Interest accrued but not due                   | -   | -                  | -        | -                     |
| Total (i+ii+iii)                                    | 27,816,430                                | 69,490,000         | -        | 97,306,430            |

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

**B. Remuneration to other directors**

| SN. | Particulars of Remuneration                  | Name of Directors       |                   |                  |
|-----|--|-------------------------|-------------------|------------------|
|     | <b>Independent Directors</b>                 | <b>Pramod Gujarathi</b> | <b>Zarna Shah</b> | <b>Total Amt</b> |
|     | Fee for attending board & committee meetings | 7,31,000                | -                 | 7,31,000         |
|     | Commission                                   | -                       | -                 | -                |
|     | Reimbursement of Travelling expenses         | -                       | 30,000            | 30,000           |
|     | Total (1)                                    | 7,31,000                | 30,000            | 7,61,000         |

|   |                               |   |   |   |   |   |
|---|-------------------------------|---|---|---|---|---|
| 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 (FY: 2019-20)**

| SN       | Particulars of Remuneration   | Key Managerial Personnel |          |          |           |
|----------|---|--------------------------|----------|----------|-----------|
|          |   | CEO                      | CS       | CFO      | Total     |
| <b>1</b> | <b>Gross salary*</b>  |                          |          |          |           |
|          | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | -                        | 4,11,257 | 7,58,871 | 11,70,128 |
|          | (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              | -                        |          |          |           |
| <b>2</b> | <b>Stock Option</b>   | -                        |          |          |           |
| <b>3</b> | <b>Sweat Equity</b>   | -                        |          |          |           |
| <b>4</b> | <b>Commission</b>   | -                        |          |          |           |
|          | - as % of profit  | -                        |          |          |           |
|          | others, specify...  | -                        |          |          |           |
| <b>5</b> | <b>Others, please specify</b>   | -                        |          |          |           |
|          | <b>Total</b>  | -                        | 4,11,257 | 7,58,871 | 11,70,128 |

**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) |
|--|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. COMPANY: NIL</b>                   |                              |                   |   |                              |                                    |
| Penalty                                  |                              |                   |   |                              |                                    |
| Punishment                               |                              |                   |   |                              |                                    |
| Compounding                              |                              |                   |   |                              |                                    |
| <b>B. DIRECTORS: NIL</b>                 |                              |                   |   |                              |                                    |
| Penalty                                  |                              |                   |   |                              |                                    |
| Punishment                               |                              |                   |   |                              |                                    |
| Compounding                              |                              |                   |   |                              |                                    |
| <b>C. OTHER OFFICERS IN DEFAULT: NIL</b> |                              |                   |   |                              |                                    |
| Penalty                                  |                              |                   |   |                              |                                    |
| Punishment                               |                              |                   |   |                              |                                    |
| Compounding                              |                              |                   |   |                              |                                    |

## **Annexure E**

### **Related Party Transactions**

**Form No. AOC-2**

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

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

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

The Company has not entered into contracts or arrangements or transactions with Related Party which are not at arm's length basis hence not required to make any disclosure under this heading.

**2. Details of material contracts or arrangements or transactions at arm's length basis during financial year 2019-20:**

| (a) Name(s) of the related party and nature of relationship: | (b) Nature of contracts/arrangements/transactions: | (c) Duration of the contracts/arrangements/transactions: | (d) Salient terms of the contracts or arrangements or transactions including the value, if any: | (e) Date(s) of approval by the Board, if any: | (f) Amount paid as advances, if any: |
|--|--|--|---|---|--------------------------------------|
| CS Specialty Chemicals Pvt Ltd                               | Sale of Raw Materials/Job Work                     | Financial year 2019-20 & Ordinary course of business     | As per the terms fixed by the shareholders in the AGM dated 26 <sup>th</sup> September 2016     | 8/5/2019                                      | -                                    |

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

**Place:** Vapi

**Date:** 31/08/2020

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

**Mr. Satish B. Zaveri**  
**Director**  
**DIN: 00158861**

## **Annexure F**

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

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

**Industry Structure And Developments**

The Chemicals industry in India contributes 1.34% to the nation's Gross Value Added (Source: National Investment Promotion & Facilitation Agency) and is a highly diversified business, covering more than 80,000 commercial products broadly classified into Bulk Chemicals, Specialty Chemicals, Agrochemicals, Petrochemicals, Polymers and Fertilisers. India ranks 14th in export and 8th in import of chemicals (excluding pharmaceutical products) globally. The demand for chemical products is expected to grow at approximately 9% per annum over the next 5 years.

**Key strengths**

- Designing capabilities that create and sustain market differentiation

- State-of-the-art and integrated manufacturing capabilities
- Consistent quality focus to deliver safe, convenient and secure consumer packaging
- An engaged and experienced team

### **Global economic overview**

According to the World Economic Outlook by the International Monetary Fund (IMF) published on April, 2020, The COVID-19 pandemic is inflicting high and rising human costs worldwide. Protecting lives and allowing health care systems to cope have required isolation, lockdowns, and widespread closures to slow the spread of the virus. The health crisis is therefore having a severe impact on economic activity. As a result of the pandemic, the global economy is projected to contract sharply by –3 percent in 2020, much worse than during the 2008–09 financial crisis.

In a baseline scenario, which assumes that the pandemic fades in the second half of 2020 and containment efforts can be gradually unwound, the global economy is projected to grow by 5.8 percent in 2021 as economic activity normalizes, helped by policy support. There is extreme uncertainty around the global growth forecast. The economic fallout depends on factors that interact in ways that are hard to predict, including the pathway of the pandemic, the intensity and efficacy of containment efforts, the extent of supply disruptions, the repercussions of the dramatic tightening in global financial market conditions, shifts in spending patterns, behavioral changes (such as people avoiding shopping malls and public transportation), confidence effects, and volatile commodity prices. Many countries face a multi-layered crisis comprising a health shock, domestic economic disruptions, plummeting external demand, capital flow reversals, and a collapse in commodity prices.

### **Indian economy**

According to Crisil report published in June 2020, The Indian economy will contract 5% in fiscal 2021. with non-agricultural GDP to contract by 6% and agriculture could cushion the blow by growing at 2.5%. This is premised on the following: an extension of restrictions and lockdown, especially in states where Covid-19 cases are still rising; a normal monsoon that supports the kharif crop and agriculture incomes; softer crude oil prices; and, limited fiscal support to prop up an immediate growth revival. Overall, risks remain tilted to the downside and hinge on further extension in containment measures, slipping of global growth and a sub-normal monsoon.

### **Outlook**

Covid-19 has put the biggest question mark on the economic recovery of India and the world, even as nations began to phase out their lockdowns by the second half of May 2020. There were fears on several fronts viz. (i) of the infection rate soaring as people came out of self-isolation; (ii) of the virus mutating to a more virulent strain; and (iii) of a vaccine not being found soon enough. Despite the challenges of a global recession, currency risks and liquidity concerns, long-term prospects for the Company's business remain positive. 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. Your company has started exploring new ways of utilising its valuable assets such as Plant and Machineries, technical know how, etc.

### **Opportunities and Threats**

The Chemical Industry is critical for the economic development of our country, providing products and enabling technical solutions in virtually all sectors of the economy. The in-house R&D Department has been developing quality products and is also striving for achieving cost efficiencies. Your company is facing competition in domestic market from Foreign competitors, specifically from China.

### **Risks & Concerns**

Even after the severe downgrade to global growth, downside risks to the outlook persist.

The key risks are:

1. The effects of the health crisis on economic activity and financial markets could turn out to be stronger and longer lasting than initially estimated, testing the limits of central banks to backstop the financial system and further raising the fiscal burden of the shock.
2. As of mid-May 2020, the path of the Covid-19 pandemic remains uncertain. Strong containment efforts to slow the spread of the virus may need to remain in force for longer than first half of CY 2020 if the pandemic proves to be more persistent than assumed in the WEO baseline.
3. For several reasons, the recovery of the global economy could be weaker than expected even after the pandemic recedes for now. These reasons include lingering uncertainty about the return of the contagion, confidence failing to improve, establishment closures, massive job losses and purchasing power erosion and structural shifts in business and household behaviour, leading to more supply chain disruptions and weak aggregate demand.
4. Related to the uncertainty around Covid-19, an extended risk-off episode in financial markets and tightening of financial conditions could cause deeper and longer-lasting downturns in a number of countries.

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. Reviews are conducted on an on-going basis, based on a comprehensive risk based audit plan, which is approved by the Audit Committee at the beginning of each year. The Audit Committee meets on a quarterly basis to review and discuss the various Internal Audit reports and follow up action plans of past significant audit issues and compliance to the audit plan.

### **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. Steps are taken for reskilling and upskilling Company's talent pool with future-ready and future-engaged competencies. This includes functional capability, behavioural or managerial capability and leadership capability.

### **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 Director**

**Place:** Vapi

**Date:** 31/08/2020

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

**Mr. Satish B. Zaveri**  
**Director**  
**DIN: 00158861**

### **Notes to the financial statements**

#### **General Information**

The main business activities of Chemiesynth (Vapi) Limited is manufacturing of Dye Intermediates and Chemicals. Company's manufacturing unit is situated at its registered office at Plot No 27, GIDC, Vapi, Dist : Valsad, Gujarat 396195. Company is a Public Limited Company and listed on Bombay Stock Exchange Limited, Mumbai. The company operates in a single segment i.e manufacturing of chemicals.

#### **Preparation and Presentation of Financial Statements**

#### **Basis of Preparation & Measurement**



The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015. The Presentation of the Financial statement is based on Ind AS Schedule III of the Companies Act, 2013.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the criteria of realisation/settlement within a twelve-month period from the balance sheet date.

#### Current/Non- Current Classification

Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Company classifies all other liabilities as non-current. Company has identified twelve months as its operating cycle.

#### Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenues and expenses for the year and disclosure of contingent liabilities as of the Balance Sheet date.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about the assumptions and estimates may result in outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognized in the Profit and Loss Statement in the year in which the results are known/ materialized.

#### Property, Plant and Equipment

Items of Property, Plant and Equipment are valued at cost, namely, cost of acquisition and other incidental expenses directly related to their installation/erection less accumulated depreciation and impairment, if any. Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefit from the existing asset beyond its previously assessed standard of performance.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 1, 2016 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation on tangible assets (other than Leasehold Land) is generally computed on a pro-rata basis on the basis of the estimated life specified in Schedule II of the Companies Act, 2013 under Straight line method. The useful life of assets prescribed in Schedule II to the Companies Act, 2013 are considered for the purpose of Computation of Depreciation. Depreciation charge on additions / deletions is restricted to the period of use.

No depreciation is provided for leasehold land since as per the lease agreements; the leases are renewable at the option of the Company for a further period of 99 years at the end of the lease period of 99 years, without / with marginal payment of further premium.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### Impairment

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

#### Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### Inventories

Inventories include raw materials, work-in-progress, finished goods. Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises of purchase cost, cost of conversion and other cost including manufacturing overheads incurred in bringing the inventory to present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

#### Foreign Currency Transactions

##### Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

##### Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All monetary assets and liabilities in foreign currency are reinstated at the end of accounting period.

#### Exchange Difference

Exchange difference arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arise.

#### Revenue Recognition

Revenue from sale of goods is recognized when the company satisfies performance obligation by transferring promised goods and services to the customer as per the terms of the contract and are recognized net of trade discounts, rebates and indirect taxes. Revenue is recognized to the extent that it is probable that the economic benefits will flow to company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is

measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company continues to account for the export incentives in the year in which such claims are sanctioned by the relevant government authorities as per Generally Accepted Accounting Principles and the accounting method consistently followed by the company.

#### Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head Other Income in the Statement of Profit and Loss.

#### Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognized in the period in which the employee renders the related service. Contribution towards provident fund for employees is made to the regulatory authorities, where company has no further obligations. Such benefits are classified as Defined Contribution Schemes as company does not carry any further obligations, apart from the contributions made on a monthly basis. The Company is in the process of formulating a defined benefit plan in respect of payment of gratuity in accordance with the Payment of Gratuity Act, 1972, and in view of the same the Company has continued its accounting method for accounting of gratuity payments on cash basis.

#### Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the relevant prevailing tax laws. Tax expenses relating to the items in profit and loss shall be treated as current tax as part of profit and loss and those relating outside Profit and loss, other comprehensive income (OCI) shall be recognized as part of the part of OCI.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, company re-assesses unrecognized deferred tax assets, and only accounts for the same if there is certainty of realising the same.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that company will pay normal income tax during the specified period. As per transition provisions MAT shall be treated as part of deferred tax assets.

#### Provisions and Contingent Liabilities

**Provisions:** Provisions are recognized when there is a present obligation as result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

#### Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted

earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

**Satish Zaveri**

**Sandip Zaveri**

**Director (DIN : 00158861)**

**Managing Director(DIN:00158876)**

**Parimal Desai**

**Shinil Nambrath**

**Chief Financial Officer**

**Company Secretary**

**Date : 31st August 2020**

**Place : Vapi**

**CHEMIESYNTH VAPI LTD**  
**BALANCE SHEET AS AT March 31, 2020**

(Amount in ₹)

| S.No       | Particulars  | Note No. | As at March 31, 2020 | As at March 31, 2019 |
|------------|--|----------|----------------------|----------------------|
| <b>I</b>   | <b>A. ASSETS</b>   |          |                      |                      |
|            | <b>Non-Current Assets</b>  |          |                      |                      |
|            | (a) Property, plant and equipment  | 2        | 123,133,883          | 106,949,413          |
|            | (b) Capital Work in Progress   | 2        | 13,430,176           | 2,418,965            |
|            | (c) Financial Assets   |          |                      |                      |
|            | a) Other Investments   | 3        | 35,000               | 35,000               |
|            | (d) Other Non Current Assets   | 4        | 3,073,339            | 3,132,092            |
|            | <b>Total non-current assets</b>  |          | <b>139,672,398</b>   | <b>112,535,470</b>   |
| <b>II</b>  | <b>Current Assets</b>  |          |                      |                      |
|            | (a) Inventories  | 5        | 17,896,825           | 12,096,331           |
|            | (b) Financial Assets   |          |                      |                      |
|            | (i) Trade Receivables  | 6        | 15,855,290           | 16,931,671           |
|            | (ii) Cash and Cash Equivalents   | 7        | 3,051,031            | 5,243,452            |
|            | (c) Other Current Assets   | 8        | 1,603,969            | 1,910,928            |
|            | <b>Total current assets</b>  |          | <b>38,407,115</b>    | <b>36,182,382</b>    |
| <b>III</b> | <b>TOTAL ASSETS</b>  |          | <b>178,079,513</b>   | <b>148,717,852</b>   |
| <b>IV</b>  | <b>B. EQUITY AND LIABILITIES</b>   |          |                      |                      |
|            | <b>Equity</b>  |          |                      |                      |
|            | (a) Equity Share Capital   | 9        | 30,700,000           | 30,700,000           |
|            | (b) Other Equity   | 10       | 18,252,459           | 5,183,682            |
|            | <b>Total equity</b>  |          | <b>48,952,459</b>    | <b>35,883,682</b>    |
| <b>V</b>   | <b>Liabilities</b>   |          |                      |                      |
|            | <b>Non-Current Liabilities</b>   |          |                      |                      |
|            | (a) Financial Liabilities  |          |                      |                      |
|            | i. Borrowings  | 11       | 69,490,000           | 69,490,000           |
|            | (b) Other non-current liabilities  | 12       | -                    | 3,500,000            |
|            | <b>Total non-current liabilities</b>   |          | <b>69,490,000</b>    | <b>72,990,000</b>    |
|            | <b>Current Liabilities</b>   |          |                      |                      |
|            | (a) Financial Liabilities  |          |                      |                      |
|            | i. Borrowings  | 13       | 27,816,430           | 7,350,661            |
|            | ii. Trade Payables   | 14       |                      |                      |
|            | a.Total Outstanding dues of micro enterprises and small enterprises                      |          | 1,107,390            | -                    |
|            | b.Total Outstanding dues of creditors other than micro enterprises and small enterprises |          | 29,141,009           | 31,680,563           |
|            | (b) Other Current Liabilities  | 15       | 941,444              | 544,705              |
|            | (c) Income Tax Provisions (Net)  | 16       | 630,781              | 268,241              |
|            | <b>Total current liabilities</b>   |          | <b>59,637,054</b>    | <b>39,844,170</b>    |
| <b>VI</b>  | <b>TOTAL EQUITY AND LIABILITIES</b>  |          | <b>178,079,513</b>   | <b>148,717,852</b>   |
|            | <b>Significant Accounting Policies</b>   | 1        |                      |                      |

The accompanying notes are an integral part of the financial statements.

**As per our report of even date**

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

**For Milin J Jani & Co.**  
Chartered Accountants  
Firm Reg. No: 106396W

**Satish Zaveri**  
Director  
(DIN :00158861)

**Parimal Desai**  
Chief Financial Officer

**Milin J.Jani**  
Proprietor  
M.No. 044077

**Sandip Zaveri**  
Managing Director  
(DIN:00158876)

**Shinil Nambrath**  
Company Secretary

Place : Vapi  
Date : August 31, 2020

Place Vapi  
Date August 31, 2020

**CHEMIESYNTH VAPI LTD**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020**

(Amount in ₹)

| S.No        | Particulars   | Note No. | Year ended March 31, 2020 | Year ended March 31, 2019 |
|-------------|---|----------|---------------------------|---------------------------|
| <b>I</b>    | Revenues from Operations (Gross)  | 17       | 145,643,701               | 112,011,638               |
| <b>II</b>   | Other Income  | 18       | 1,160,754                 | 575,905                   |
| <b>III</b>  | <b>Total Income (I+II)</b>  |          | <b>146,804,455</b>        | <b>112,587,543</b>        |
| <b>IV</b>   | <b>Expenses:</b>  |          |                           |                           |
|             | Cost of materials consumed  | 19       | 29,941,590                | 24,198,187                |
|             | Changes in Inventories of finished goods, work-in-progress and stock in trade | 20       | 158,033                   | (5,073,998)               |
|             | Employee benefits expense   | 21       | 16,778,909                | 15,032,093                |
|             | Finance costs   | 22       | 2,560,577                 | 780,080                   |
|             | Depreciation and amortisation expense   | 2        | 5,491,794                 | 4,568,855                 |
|             | Other expenses  | 23       | 76,089,775                | 58,520,571                |
|             | <b>Total Expenses (IV)</b>  |          | <b>131,020,678</b>        | <b>98,025,788</b>         |
| <b>V</b>    | <b>Profit before tax (III-IV)</b>   |          | <b>15,783,777</b>         | <b>14,561,755</b>         |
| <b>VI</b>   | <b>Tax Expense:</b>   |          |                           |                           |
|             | (1) Current Tax   |          | 2,715,000                 | 2,825,000                 |
|             | (2) Deferred Tax  |          | -                         | -                         |
|             |   |          | <b>2,715,000</b>          | <b>2,825,000</b>          |
| <b>VII</b>  | <b>Profit for the year from continuing operations(V-VI)</b>                   |          | <b>13,068,777</b>         | <b>11,736,755</b>         |
| <b>VIII</b> | <b>Profit for the year</b>  |          | <b>13,068,777</b>         | <b>11,736,755</b>         |
| <b>IX</b>   | <b>Other Comprehensive Income</b>   |          |                           |                           |
|             | A. Items that will not be reclassified to profit or loss                      |          | -                         | -                         |
|             | B. Items that will be reclassified to profit or loss                          |          | -                         | -                         |
|             | <b>Total other comprehensive income</b>                                       |          | <b>-</b>                  | <b>-</b>                  |
| <b>X</b>    | <b>Total Comprehensive Income net of tax</b>                                  |          | <b>13,068,777</b>         | <b>11,736,755</b>         |
| <b>XI</b>   | <b>Earnings Per Equity Share</b>  | 24       |                           |                           |
|             | (a) Basic (In Rs.)  |          | 4.26                      | 3.82                      |
|             | (b) Diluted (In Rs.)  |          | 4.26                      | 3.82                      |
|             | <b>Significant Accounting Policies</b>  | 1        |                           |                           |

The accompanying notes are an integral part of the financial statements.

**As per our report of even date**

**For Milin J Jani & Co.**

Chartered Accountants  
Firm Reg. No: 106396W

**Milin J.Jani**

Proprietor  
M.No. 044077

Place Vapi  
Date August 31, 2020

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

**Satish Zaveri**  
Director  
(DIN : 00158861)

**Parimal Desai**  
Chief Financial Officer

**Sandip Zaveri**  
Managing Director  
(DIN:00158876)

**Shinil Nambrath**  
Company Secretary

Place Vapi  
Date August 31, 2020

**CHEMIESYNTH (VAPI) LIMITED**  
**Cash Flow Statement for the period ended 31 March, 2020**

(Amount in ₹)

|  | For the year ended<br>31 March, 2020 | For the year ended<br>31 March, 2019 |
|--|--------------------------------------|--------------------------------------|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>                                |                                      |                                      |
| Net Profit/(Loss) before tax   | 15,783,777                           | 14,561,755                           |
| Adjustments for:   |                                      |                                      |
| Depreciation   | 5,491,794                            | 4,568,855                            |
| Interest expenses  | 2,560,577                            | 780,080                              |
| Interest income  | (143,161)                            | (109,632)                            |
| Profit on sale of fixed assets   | (558,342)                            | (466,273)                            |
| Operating Profit before Working Capital Changes                              | 23,134,645                           | 19,334,785                           |
| Changes in:  |                                      |                                      |
| Trade Receivables and other current assets                                   | 1,383,340                            | (5,341,642)                          |
| Inventories  | (5,800,494)                          | (8,477,865)                          |
| Long term loans and advances   | 58,753                               | 1,251,290                            |
| Trade Payables and other current liabilities                                 | (1,035,425)                          | 22,200,879                           |
| <b>CASH GENERATED FROM OPERATIONS</b>  | <b>17,740,819</b>                    | <b>28,967,447</b>                    |
| Interest and Finance Charges   | (2,560,577)                          | (780,080)                            |
| Taxes Paid   | (2,352,460)                          | (2,556,759)                          |
| <b>NET CASH FROM OPERATING ACTIVITIES (A)</b>                                | <b>12,827,782</b>                    | <b>25,630,608</b>                    |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>                                |                                      |                                      |
| Purchase of Fixed Assets   | (34,534,534)                         | (18,560,872)                         |
| Interest income  | 143,161                              | 109,632                              |
| Sale of Fixed Assets   | 2,405,400                            | 1,333,369                            |
| Investments  | -                                    | -                                    |
| <b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>                             | <b>(31,985,973)</b>                  | <b>(17,117,871)</b>                  |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>                                |                                      |                                      |
| Short term borrowings availed / (repaid)                                     | 3,000,000                            | -                                    |
| Advance from customer repaid   | (3,500,000)                          | (1,260,689)                          |
| Increase/(Decrease) in Working Capital from Bank                             | 17,465,769                           | (3,271,577)                          |
| <b>NET CASH FROM FINANCING ACTIVITIES (C)</b>                                | <b>16,965,769</b>                    | <b>(4,532,266)</b>                   |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + ( C)</b> | <b>(2,192,421)</b>                   | <b>3,980,471</b>                     |
| <b>CASH &amp; CASH EQUIVALENTS AS AT THE COMMENCEMENT OF THE YEAR</b>        | <b>5,243,452</b>                     | <b>1,262,981</b>                     |
| <b>CASH &amp; CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>                 | <b>3,051,031</b>                     | <b>5,243,452</b>                     |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + ( C)</b> | <b>(2,192,421)</b>                   | <b>3,980,471</b>                     |

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

**As per our report of even date**  
**For Milin J Jani & Co.**  
Chartered Accountants  
Firm Reg. No: 106396W

**Satish Zaveri**  
**Director**  
**(DIN :00158861)**

**Sandip Zaveri**  
**Managing Director**  
**(DIN :00158876)**

**Milin J.Jani**  
Partner  
M.No. 044077  
Place : Vapi  
Date : Aug 31 ,2020

**Chief Financial officer)**  
**Parimal Desai**

**(Company Secretary)**  
**Shinil Nambrath**

PLACE: VAPI  
DATE: August 31, 2020

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020**

**a. Equity Share Capital**

| <b>Particulars</b>                             | <b>Amount</b> |
|--|---------------|
| <b>Balance as at 01/04/2019</b>                | 30,700,000    |
| Changes in equity share capital during 2019-20 | -             |
| <b>Balance as at 31/3/2020</b>                 | 30,700,000    |

**b. Other Equity**

| <b>Particulars</b>                             | <b>Reserves &amp; Surplus</b>     |                        |                          | <b>Other Comprehensive Income (OCI)</b> | <b>Total Equity</b> |
|--|-----------------------------------|------------------------|--------------------------|---|---------------------|
|  | <b>Securities Premium Account</b> | <b>Capital Reserve</b> | <b>Retained Earnings</b> |   |                     |
| <b>As at 31st March, 2018</b>                  |                                   |                        |                          |   |                     |
| Profit for the year                            | 12,650,000                        | 1,156,929              | (20,360,001)             | -                                       | (6,553,072)         |
| Corporate Dividend                             | -                                 | -                      | 11,736,755               | -                                       | 11,736,755          |
| <b>Other Comprehensive Income for the year</b> | -                                 | -                      | -                        | -                                       | -                   |
| <b>As at 31st March, 2019</b>                  |                                   |                        |                          |   |                     |
| Profit for the year                            | 12,650,000                        | 1,156,929              | (8,623,247)              | -                                       | 5,183,682           |
| Corporate Dividend                             | -                                 | -                      | 13,068,777               | -                                       | 13,068,777          |
| <b>Other Comprehensive Income for the year</b> | -                                 | -                      | -                        | -                                       | -                   |
| <b>As at 31st March, 2020</b>                  | <b>12,650,000</b>                 | <b>1,156,929</b>       | <b>4,445,530</b>         | <b>-</b>                                | <b>18,252,459</b>   |



**Note 2: Property, Plant and Equipment and Capital Work-in-progress (Amount in ₹)**

|  | As at<br>March 31, 2020 | As at<br>March 31, 2019 | As at<br>March 31, 2018 |
|--|-------------------------|-------------------------|-------------------------|
| <b>Carrying amounts of:</b>              |                         |                         |                         |
| Leasehold land                           | 1,528,000               | 1,528,000               | 1,528,000               |
| Buildings                                | 28,165,430              | 27,256,938              | 28,720,175              |
| Plant and equipment                      | 86,936,217              | 75,933,718              | 64,815,221              |
| Furniture and Fixtures & Other Equipment | 5,835,397               | 1,898,917               | 804,580                 |
| Vehicles                                 | 528,846                 | 226,498                 | 311,526                 |
| Computer and Accessories                 | 139,992                 | 105,341                 | 63,955                  |
|  | <b>123,133,882</b>      | <b>106,949,412</b>      | <b>96,243,457</b>       |
| Capital Work-in-progress                 | 13,430,176              | 2,418,965               | -                       |
| <b>Total</b>                             | <b>136,564,058</b>      | <b>109,368,377</b>      | <b>96,243,457</b>       |

| Particulars                                    | Leasehold land   | Buildings         | Plant and<br>equipment | Furniture<br>fixtures &<br>Other Equip | Vehicles         | Computer &<br>Accessories | Total              |
|--|------------------|-------------------|------------------------|--|------------------|---------------------------|--------------------|
| <b>Gross carrying amount at April 1, 2018</b>  | <b>1,528,000</b> | <b>44,860,742</b> | <b>107,775,949</b>     | <b>6,589,386</b>                       | <b>2,893,491</b> | <b>815,655</b>            | <b>164,463,227</b> |
| Additions                                      | -                | -                 | 14,743,477             | 1,320,930                              | -                | 77,500                    | 16,141,907         |
| Disposals                                      | -                | -                 | 1,333,869              | -                                      | -                | -                         | 1,333,869          |
| <b>Gross carrying amount at April 1, 2019</b>  | <b>1,528,000</b> | <b>44,860,742</b> | <b>121,185,559</b>     | <b>7,910,316</b>                       | <b>2,893,491</b> | <b>893,155</b>            | <b>179,271,263</b> |
| Additions                                      | -                | 2,415,228         | 16,054,252             | 4,595,033                              | 355,261          | 103,549                   | 23,523,323         |
| Disposals                                      | -                | -                 | 2,495,417              | -                                      | -                | -                         | 2,495,417          |
| <b>Gross carrying amount at March 31, 2020</b> | <b>1,528,000</b> | <b>47,275,970</b> | <b>134,744,394</b>     | <b>12,505,349</b>                      | <b>3,248,752</b> | <b>996,704</b>            | <b>200,299,169</b> |

| Particulars  | Leasehold land | Buildings         | Plant and<br>equipment | Furniture<br>fixtures &<br>Other Equip | Vehicles         | Computer &<br>Accessories | Total             |
|--|----------------|-------------------|------------------------|--|------------------|---------------------------|-------------------|
| <b>Accumulated depreciation and impairment at April 1, 2018</b>  | -              | -                 | -                      | -                                      | -                | -                         | -                 |
| Depreciation expense   | -              | 16,140,571        | 42,960,728             | 5,784,806                              | 2,581,965        | 751,700                   | 68,219,770        |
| Deductions/Adjustments   | -              | 1,463,233         | 2,757,887              | 226,593                                | 85,028           | 36,114                    | 4,568,855         |
|  | -              | -                 | (466,773)              | -                                      | -                | -                         | (466,773)         |
| <b>Accumulated depreciation and impairment at April 1, 2019</b>  | -              | <b>17,603,804</b> | <b>45,251,842</b>      | <b>6,011,399</b>                       | <b>2,666,993</b> | <b>787,814</b>            | <b>72,321,852</b> |
| Depreciation expense   | -              | 1,506,736         | 3,204,694              | 658,553                                | 52,913           | 68,898                    | 5,491,794         |
| Deductions/Adjustments   | -              | -                 | 648,358                | -                                      | -                | -                         | 648,358           |
| <b>Accumulated depreciation and impairment at March 31, 2020</b> | -              | <b>19,110,540</b> | <b>47,808,178</b>      | <b>6,669,952</b>                       | <b>2,719,906</b> | <b>856,712</b>            | <b>77,165,288</b> |

|  |                  |                   |                   |                  |                |                |                    |
|--|------------------|-------------------|-------------------|------------------|----------------|----------------|--------------------|
| <b>Net carrying amount as on April 1, 2020</b> | <b>1,528,000</b> | <b>28,165,430</b> | <b>86,936,216</b> | <b>5,835,397</b> | <b>528,846</b> | <b>139,992</b> | <b>123,133,881</b> |
| <b>Net carrying amount as on April 1, 2019</b> | <b>1,528,000</b> | <b>27,256,938</b> | <b>75,933,717</b> | <b>1,898,917</b> | <b>226,498</b> | <b>105,341</b> | <b>106,949,411</b> |
| <b>Net carrying amount as on April 1, 2018</b> | <b>1,528,000</b> | <b>28,720,175</b> | <b>64,815,221</b> | <b>804,580</b>   | <b>311,526</b> | <b>63,955</b>  | <b>96,243,457</b>  |

**Note 3 Investments**

(Amount in ₹)

| Particulars   | As at March 31, 2020 | As at March 31, 2019 |
|---|----------------------|----------------------|
| <b>I. Unquoted Investments</b>                                |                      |                      |
| (a) Other Investments at cost - National Savings Certificates | 35,000               | 35,000               |
| <b>Total Unquoted Investments</b>                             | <b>35,000</b>        | <b>35,000</b>        |
| <b>Total Other Investments</b>                                | <b>35,000</b>        | <b>35,000</b>        |
| <b>Current</b>  | <b>-</b>             | <b>-</b>             |
| <b>Non-current</b>  | <b>35,000</b>        | <b>35,000</b>        |

| 3.1. Category-wise other investments - as per Ind AS 109 classification | As at March 31, 2020 | As at March 31, 2019 |
|---|----------------------|----------------------|
| Financial assets carried at amortised cost                              |                      |                      |
| National Savings Certificates   | 35,000               | 35,000               |
|   | <b>35,000</b>        | <b>35,000</b>        |

**NOTE 4 Other non current assets**

(Amount in ₹)

| Particulars                        | As at March 31, 2020 | As at March 31, 2019 |
|------------------------------------|----------------------|----------------------|
| <b>Non-current</b>                 |                      |                      |
| a. Security Deposits               |                      |                      |
| - Unsecured, considered good       | 1,703,622            | 1,703,622            |
| b. Loans and advances to employees |                      |                      |
| Unsecured, considered good         | 1,141,173            | 1,199,926            |
| c. Excise Claim Refund Receivable  | 228,544              | 228,544              |
|                                    | <b>3,073,339</b>     | <b>3,132,092</b>     |

**CHEMIESYNTH VAPI LIMITED  
NOTES FORMING PART OF ACCOUNTS****Note 5 Inventories**

(Amount in ₹)

| Particulars   | As at March 31, 2020 | As at March 31, 2019 |
|---|----------------------|----------------------|
| (At lower of cost and net realisable value)                       |                      |                      |
| (a) Raw materials   | 11,699,105           | 5,782,196            |
| (b) Work-in-progress  | 5,232,277            | 5,390,175            |
| (c) Finished goods  | -                    | 135                  |
| (d) Stores and spares   | 965,443              | 923,825              |
|   | <b>17,896,825</b>    | <b>12,096,331</b>    |
| The mode of valuation of inventories has been stated in the notes |                      |                      |

**Note 6 Trade Receivables**

(Amount in ₹)

| Particulars   | As at March 31, 2020 | As at March 31, 2019 |
|---|----------------------|----------------------|
| <b>Trade Receivables</b>  |                      |                      |
| (a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment | -                    | 7,271,550            |
| (b) Unsecured, considered good  | 15,855,290           | 9,660,121            |
|   | <b>15,855,290</b>    | <b>16,931,671</b>    |
|   | <b>15,855,290</b>    | <b>16,931,671</b>    |
|   |                      | -                    |

**Note 7 Cash and cash equivalents**

(Amount in ₹)

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

| Particulars   | As at March 31, 2020 | As at March 31, 2019 |
|---|----------------------|----------------------|
| (a) Balances with banks (including deposits with original maturity upto 3 months) |                      |                      |
| (i) In Current account  | 2,983,920            | 3,026,919            |
| (ii) In Deposit account   | -                    | 2,152,000            |
| (b) Cash on hand  | 67,111               | 64,533               |
| <b>Cash and Cash Equivalents as per balance sheet</b>                             | <b>3,051,031</b>     | <b>5,243,452</b>     |

**NOTE 8 Other current assets**

(Amount in ₹)

| Particulars                             | As at March 31, 2020 | As at March 31, 2019 |
|---|----------------------|----------------------|
| a. Balances with government authorities |                      |                      |
| - Unsecured, considered good            |                      |                      |
| (i) SGST Receivable                     | 501,207              | 576,132              |
| (ii) CGST Receivable                    | 501,207              | 122,944              |
| (iii) IGST Receivable                   | -                    | 192,436              |
| b. Advance to Suppliers                 | 601,556              | 1,019,416            |
|   | <b>1,603,969</b>     | <b>1,910,928</b>     |

**CHEMIESYNTH VAPI LTD**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 9 Equity Share Capital**

| Particulars  | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|--|-------------------------|-------------------------|
| <b>AUTHORISED :</b><br>Equity Shares:<br>32,50,000 Equity Shares of Rs.10 each                     | 32,500,000              | 32,500,000              |
| <b>ISSUED, SUBSCRIBED AND FULLY PAID UP</b><br>30,70,000 Equity Shares of Rs.10 each fully paid-up | 30,700,000              | 30,700,000              |
|  | <b>30,700,000</b>       | <b>30,700,000</b>       |

|  | 2019-20          |                   | 2018-19          |                   |
|--|------------------|-------------------|------------------|-------------------|
|  | No of Shares     | Amount (Rs.)      | No of Shares     | Amount (Rs.)      |
| <b>Reconciliation of number of shares</b>                |                  |                   |                  |                   |
| <b>Equity Shares of Re.10 each fully paid up</b>         |                  |                   |                  |                   |
| At the beginning of the period                           | 3,070,000        | 30,700,000        | 3,070,000        | 30,700,000        |
| Allotment of shares on exercise of Employee Stock Option | -                | -                 | -                | -                 |
| At the end of the period                                 | <b>3,070,000</b> | <b>30,700,000</b> | <b>3,070,000</b> | <b>30,700,000</b> |

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.

During the year there are no Changes in Number of Shares outstanding at the end of the reporting period in comparison to number of shares outstanding at the beginning of the reporting period.

**10.1 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:**

| Name of the Share holder | No of shares held as at |        |           |        |
|--------------------------|-------------------------|--------|-----------|--------|
|                          | As at                   |        | As at     |        |
|                          | Nos.                    | %      | Nos.      | %      |
| Satish B Zaveri          | 1,119,760               | 36.47% | 1,119,760 | 36.47% |
| Sandip S Zaveri          | 464,000                 | 15.11% | 389,500   | 12.69% |
| United Phosphorous Ltd   | 321,000                 | 30.00% | 921,000   | 30.00% |
| Bhanuraj N Mehta         | 225,520                 | 7.35%  | 225,520   | 7.35%  |

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

**As per our report of even date**  
**For Milin J Jani & Co.**  
Chartered Accountants  
Firm Reg. No: 106396W

**Satish Zaveri**  
Director(DIN :00158861)

**Parimal Desai**  
Chief Financial officer

**Milin J. Jani**  
Proprietor  
M.No. 044077  
Place : Ahmedabad  
Date : August 31, 2020

**Sandip Zaveri**  
Managing Director(DIN:00158876)  
Place : Vapi  
Date : August 31, 2020

**Shinil Nambrath**  
Company Secretary

**CHEMIESYNTH VAPI LTD**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 10 Other equity**

(Amount in ₹)

| Particulars        | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|--------------------|-------------------------|-------------------------|
| Securities Premium | 12,650,000              | 12,650,000              |
| Capital reserve    | 1,156,929               | 1,156,929               |
| Retained Earnings  | 4,445,530               | (8,623,247)             |
|                    | <b>18,252,459</b>       | <b>5,183,682</b>        |

| Particulars                                      | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|--|-------------------------|-------------------------|
| (a) Securities Premium Account                   |                         |                         |
| Opening balance                                  | 12,650,000              | 12,650,000              |
| Closing balance                                  | 12,650,000              | 12,650,000              |
| (b) Capital reserve                              |                         |                         |
| Opening balance                                  | 1,156,929               | 1,156,929               |
| Closing balance                                  | 1,156,929               | 1,156,929               |
| (c) Retained Earnings                            |                         |                         |
| Balance at the beginning of the year             | (8,623,247)             | (20,360,003)            |
| Profit attributable to the owners of the company | 13,068,777              | 11,736,755              |
| IND AS adjustments                               |                         |                         |
| Closing balance                                  | 4,445,530               | (8,623,247)             |
| <b>Total Other Equity</b>                        | <b>18,252,459</b>       | <b>5,183,682</b>        |

**Nature and Purpose of Reserve**

- i) Capital Reserve : Capital Reserve was created at the time of setting up of unit out of the amount received
- ii) Securities Premium Account : Securities Premium Account was created on issue of shares at premium.

|                                       |  |  |                         |
|---------------------------------------|--|--|-------------------------|
| <b>As per our report of even date</b> |  | <b>For and on behalf of the Board of Directors</b> |                         |
| <b>For Milin J Jani &amp; Co.</b>     |  |  |                         |
| Chartered Accountants                 |  |  |                         |
| Firm Reg. No: 106396W                 |  |  |                         |
|                                       |  | <b>Satish Zaveri</b>                               | <b>Parimal Desai</b>    |
|                                       |  | Director   | Chief Financial Officer |
|                                       |  | <b>(DIN :00158861)</b>                             |                         |
|                                       |  | <b>Sandip Zaveri</b>                               | <b>Shinil Nambrath</b>  |
|                                       |  | Managing Director                                  | Company Secretary       |
|                                       |  | <b>(DIN:00158876)</b>                              |                         |
| <b>Milin J.Jani</b>                   |  |  |                         |
| Proprietor                            |  |  |                         |
| M.No. 044077                          |  |  |                         |
| Place : Ahmedabad                     |  | Place : Vapi                                       |                         |
| Date : August 31, 2020                |  | Date : August 31, 2020                             |                         |

**CHEMIESYNTH VAPI LTD**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 11 Non-current borrowings**

(Amount in ₹)

| Particulars                                 | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|---|----------------------------|----------------------------|
| Unsecured - at amortised cost               |                            |                            |
| i) Loans from Directors and their relatives | 69,490,000                 | 69,490,000                 |
|   | 69,490,000                 | -                          |
|   |                            | 69,490,000                 |

**Note 12 Other non current liabilities**

(Amount in ₹)

| Particulars                              | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|--|----------------------------|----------------------------|
| (a) Advances and Deposits from Customers | -                          | 3,500,000                  |
|  | -                          | 3,500,000                  |

**Note 13 Current Borrowings**

(Amount in ₹)

| Particulars                                | As at<br>March 31,<br>2020 | As at<br>March 31,<br>2019 |
|--|----------------------------|----------------------------|
| <b>Secured - at amortised cost</b>         |                            |                            |
| a) Loan repayable on demand                |                            |                            |
| - from banks                               |                            |                            |
| - overdraft                                | 24,816,430                 | 7,350,661                  |
| <b>From others Unsecured</b>               |                            |                            |
| b) Intercompany Deposit (Interest @ 10%pa) | 3,000,000                  | -                          |
|  | 27,816,430                 | 7,350,661                  |

Notes:

(i) Intercompany deposit is repayable within 90 days from the date of receipt at an interest rate of 10%pa

(ii) 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.

**CHEMIESYNTH VAPI LTD**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 14 Trade Payables**

(Amount in ₹)

| Particulars   | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|---|-------------------------|-------------------------|
| Trade payables (other than dues of Micro and Small enterprises) | 29,141,009              | 31,680,563              |
| Trade payables ( dues of Micro and Small enterprises)           | 1,107,390               | -                       |
|   | <b>30,248,399</b>       | <b>31,680,563</b>       |

|   |           |   |
|---|-----------|---|
| (i) Principal amount due remaining unpaid to Micro and Small Enterprise | 1,107,390 | - |
| (ii) Interest due remaining unpaid to Micro and Small Enterprise        | -         | - |
| (iii) Interest due and payable to Micro & Small Enterprise              | -         | - |

The information regarding Micro and Small Enterprises has been determined to the extend such parties have been identified on the basis of information available with the company.

**Note 15 Other current liabilities**

| Particulars           | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|-----------------------|-------------------------|-------------------------|
| Statutory Liabilities | 941,444                 | 544,705                 |
|                       | <b>941,444</b>          | <b>544,705</b>          |

**Note 16 Tax Provision**

| Particulars                                | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|--|-------------------------|-------------------------|
| Advance Tax                                | 2,084,219               | 2,556,759               |
| <b>Less</b><br>Provision for Tax (2019-20) | 2,715,000               | 2,825,000               |
| <b>Income Tax for the year</b>             | <b>(630,781)</b>        | <b>(268,241)</b>        |

**CHEMIESYNTH VAPI LTD**  
**NOTES FORMING PART OF ACCOUNTS**

**NOTE 17 Revenue from operations**

(Amount in ₹)

| Particulars                                 | Year ended<br>March 31, 2020 | Year ended<br>March 31, 2019 |
|---|------------------------------|------------------------------|
| (a) Sales of Products and job work charges  | 143,933,633                  | 108,729,118                  |
| (b) Other operating revenues                |                              |                              |
| - Sale of Scrap                             | 1,281,079                    | 1,576,058                    |
| - Export Incentive License Sale             | 428,989                      | 1,606,462                    |
| - Duty drawback and other export incentives | -                            | 100,000                      |
|   | <b>145,643,701</b>           | <b>112,011,638</b>           |

**Note 18 Other Income**

(Amount in ₹)

| Particulars  | Year ended<br>March 31, 2020 | Year ended<br>March 31, 2019 |
|--|------------------------------|------------------------------|
| (a) Interest income earned on financial assets that are not designated as at fair value through profit or loss |                              |                              |
| -- On bank deposits (at amortised cost)  | 67,080                       | 57,828                       |
| -- On Interest on income tax refund  | 76,081                       | 51,804                       |
|  | 143,161                      | 109,632                      |
| (b) Other gains or losses  |                              |                              |
| Gain / (loss) on disposal of property, plant and equipment   | 558,342                      | 466,273                      |
| Net foreign exchange gains or (losses)   | 459,251                      | -                            |
|  | <b>1,160,754</b>             | <b>575,905</b>               |

**Note 19 Cost of materials consumed**

(Amount in ₹)

| Particulars                                      | Year ended<br>March 31, 2020 | Year ended<br>March 31, 2019 |
|--|------------------------------|------------------------------|
| Opening stock                                    | 5,782,196                    | 2,481,367                    |
| Add: Purchases                                   | 35,858,499                   | 27,499,016                   |
|  | 41,640,695                   | 29,980,383                   |
| -- On other financial assets (at amortised cost) |                              |                              |
| Less: Closing stock                              | (11,699,105)                 | (5,782,196)                  |
| <b>Cost of material consumed</b>                 | <b>29,941,590</b>            | <b>24,198,187</b>            |

**Note 20 Changes in Inventories of finished goods, work in progress and stock in trade**

(Amount in ₹)

| Particulars                                     | Year ended<br>March 31, 2020 | Year ended<br>March 31, 2019 |
|---|------------------------------|------------------------------|
| <b>Inventories at the end of the year</b>       |                              |                              |
| Finished goods                                  | -                            | 135                          |
| Work in progress                                | 5,232,277                    | 5,390,175                    |
|   | 5,232,277                    | 5,390,310                    |
| <b>Inventories at the beginning of the year</b> |                              |                              |
| Finished goods                                  | 135                          | 135                          |
| Work in progress                                | 5,390,175                    | 316,177                      |
|   | 5,390,310                    | 316,312                      |
|   |                              |                              |
| <b>(Increase)/Decrease in Stocks</b>            | <b>158,033</b>               | <b>(5,073,998)</b>           |

**Note 21 Employee Benefit expense**

(Amount in ₹)

| Particulars                                   | Year ended<br>March 31, 2020 | Year ended<br>March 31, 2019 |
|---|------------------------------|------------------------------|
| (a) Salaries, Wages and Bonus                 | 12,522,600                   | 11,984,604                   |
| (b) Contribution to Provident and Other Funds | 3,117,755                    | 1,869,468                    |
| (c) Staff Welfare Expenses                    | 1,138,554                    | 869,922                      |
| (d) Gratuity                                  | -                            | 308,099                      |
|   | <b>16,778,909</b>            | <b>15,032,093</b>            |

Note : Contribution to provident and other funds includes contribution in respect of payment to contractors of Rs. 20351658 (Rs. 15838580).

**Note 22 Finance Cost**

(Amount in ₹)

| Particulars  | Year ended<br>March 31, 2020 | Year ended<br>March 31, 2019 |
|--|------------------------------|------------------------------|
| Interest costs:  |                              |                              |
| a) Interest on bank overdrafts (other than those from related parties) | 2,103,042                    | 530,080                      |
| b) Interest paid to related parties on Unsecured loans                 | 457,535                      | 250,000                      |
|  | <b>2,560,577</b>             | <b>780,080</b>               |

**Note 23 Other Expenses**

(Amount in ₹)

| Particulars                                 | Year ended<br>March 31, 2020 | Year ended<br>March 31, 2019 |
|---|------------------------------|------------------------------|
| Consumption of stores and spare parts       | 6,115,715                    | 4,823,166                    |
| Consumption of packing materials            | 349,457                      | 188,041                      |
| Job work charges                            | 1,011,859                    | 464,803                      |
| Power and fuel                              | 19,458,991                   | 14,885,960                   |
| Water charges                               | 1,765,094                    | 1,639,261                    |
| Rent  | -                            | 65,500                       |
| Repairs and maintenance - Buildings         | 1,891,836                    | 3,066,322                    |
| Repairs and maintenance - Machinery         | 2,642,179                    | 1,755,262                    |
| Repairs and maintenance - Others            | 3,100                        | 95,502                       |
| Insurance                                   | 838,223                      | 128,432                      |
| Rates and taxes                             | 986,815                      | 363,895                      |
| Communication                               | 123,496                      | 113,183                      |
| Travelling and conveyance                   | 200,128                      | 310,356                      |
| Printing and stationery                     | 231,158                      | 142,047                      |
| Freight and forwarding                      | 191,474                      | 315,693                      |
| Legal and professional fees                 | 1,360,731                    | 597,319                      |
| Payments to auditors (Refer Note (i) below) | 60,000                       | 40,000                       |
| Service charges                             | 231,900                      | 161,700                      |
| Contract labour charges                     | 20,351,658                   | 15,838,580                   |
| Bank charges                                | 201,644                      | 76,516                       |
| Effluent treatment and disposal charges     | 9,935,934                    | 6,706,162                    |
| Miscellaneous expenses                      | 8,138,384                    | 6,742,871                    |
|   | <b>76,089,775</b>            | <b>58,520,571</b>            |

| Payment to Auditors         | Year ended<br>March 31, 2020 | Year ended<br>March 31, 2019 |
|-----------------------------|------------------------------|------------------------------|
| a) For Statutory Audit Fees | 45,000                       | 35,000                       |
| b) For Tax Audit Fees       | 15,000                       | 5,000                        |
|                             | <b>60,000</b>                | <b>40,000</b>                |



**CHEMIESYNTH VAPI LIMITED**  
**NOTES FORMING PART OF ACCOUNTS**

**Note 24 Earnings per Share**

(Amount in ₹)

| Particulars                             | Year Ended<br>March 31,<br>2020 | Year Ended<br>March 31,<br>2019 |
|---|---------------------------------|---------------------------------|
| Basic Earnings per share                |                                 |                                 |
| From continuing operations              | 4.26                            | 3.82                            |
| <b>Total basic earnings per share</b>   | <b>4.26</b>                     | <b>3.82</b>                     |
| Diluted Earnings per share              |                                 |                                 |
| From continuing operations              | 4.26                            | 3.82                            |
| <b>Total diluted earnings per share</b> | <b>4.26</b>                     | <b>3.82</b>                     |

**Note 25 Related party transactions**

**Names of related parties, description of relationship and details of transactions**

(Amount in ₹)

| Particulars   | Year Ended<br>March 31,<br>2020 | Year Ended<br>March 31,<br>2019 |
|---|---------------------------------|---------------------------------|
| A) CS Speciality Chemicals Pvt Ltd<br>(Company in which the key management personnel exercise control)    |                                 |                                 |
| Sales of goods/Job work charges   | 25,083,660                      | 17,018,522                      |
| Sale of assets  | 2,192,181                       | 1,418,971                       |
| Service Charges   | NIL                             | 153,400                         |
| Purchase of Goods and Assets  | 634,840                         | 646,474                         |
| Outstanding balance as at the year end receivable (Net)   | 290,179                         | 1,014,338                       |
| B) CS Performance Chemicals Pvt Ltd<br>(Company in which the key management personnel exercise control)   |                                 |                                 |
| Sale of Assets  | NIL                             | NIL                             |
| Purchase of goods and Assets  | 254,499                         | 165,517                         |
| Outstanding Balance as at the year end  | 22,400                          | 165,517                         |
| C) Star Performance Chemicals Pvt Ltd<br>(Company in which the key management personnel exercise control) |                                 |                                 |
| Intercompany Deposit (Interest @ 10%pa)   |                                 |                                 |
| Interest on Deposit   | 207,535                         | NIL                             |
| Outstanding Balance at the year end   | 3,000,000                       | NIL                             |
| D) Key Management Personnel and their relatives   |                                 |                                 |
| Mr.Satish B Zaveri (Director)   |                                 |                                 |
| Loan received   | NIL                             | NIL                             |
| Repayment of Loan   | NIL                             | NIL                             |
| Outstanding Balance at the year end   | 41,390,000                      | 41,390,000                      |
| Mr.Sandip S. Zaveri (Managing Director)   |                                 |                                 |
| Loan received   | NIL                             | NIL                             |
| Repayment of Loan   | NIL                             | NIL                             |
| Outstanding Balance at the year end   | 23,100,000                      | 23,100,000                      |
| Mr Bhanuraj N Mehta   |                                 |                                 |
| Interest on Loan  | 250,000                         | 250,000                         |
| Outstanding Balance at the year end   | 2,500,000                       | 2,500,000                       |
| Mrs.Kamal S Zaveri (Relative of Director)   |                                 |                                 |
| Outstanding Balance at the year end   | 2,500,000                       | 2,500,000                       |

**Note 26 Authorisation of financial statements**

The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on June 30, 2020.

## INDEPENDENT AUDITOR'S REPORT

### To The Members of CHEMIESYNTH (VAPI) LIMITED

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the accompanying standalone financial statements of Chemiesynth (Vapi) Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone IND AS financial statements.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

| Key Audit Matters  | How our audit addressed the key audit matter  |
|--|---|
| Revenue recognition on sale of goods (as described in Note 17 of the standalone Ind AS financial statements)   |   |
| Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives and returns, if any, ('variable consideration') as specified in the contracts with the customers. | Our audit procedures included, amongst others: <ul style="list-style-type: none"><li>• We read and evaluated the Company's policies for revenue recognition and assessed its compliance with Ind AS 115 'Revenue from contracts with customers';</li><li>• We assessed the design and tested the operating effectiveness of internal controls related to sales including variable consideration</li></ul> |

##### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Ind AS Financial Statements and our Auditor's Report thereon.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the

financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Standalone Ind As Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibility for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:

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

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

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Ind AS Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) read with Schedule V of the Act, as amended:

The Company has not paid any managerial remuneration during the year, hence provisions of section 197 read with schedule V to the Companies Act, 2013 are not applicable to the Company.

h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For MILIN J JANI & CO  
CHARTERED ACCOUNTANTS  
(Firm's Registration No. 106396W)

CA. MILIN J. JANI  
PROPRIETOR  
(Membership No. 044077)  
UDIN:  
Ahmedabad, August 31st 2020.

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the standalone Ind AS financial statements of Chemiesynth (Vapi) Limited)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipments.

(b) The Company has a program of verification of Property, Plant and Equipments to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipments were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us, in respect of immovable properties of land that have been taken on lease and disclosed as Property, Plant and Equipments in the Standalone Ind AS Financial Statements, the lease deed is in the name of the Company.

(ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations 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. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loan, has not made any investment, has not provided any guarantees or securities, hence provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, are not applicable to the Company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company and hence not commented upon.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(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, Goods and Service Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government. The Company has not issued any debentures.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year, hence provisions of section 197 read with schedule V to the Companies Act, 2013 are not applicable to the Company.

(xii) The Company is not a Nidhi Company and hence the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company and hence not commented upon.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For MILIN J JANI & CO  
CHARTERED ACCOUNTANTS  
(Firm's Registration No. 106396W)

CA. MILIN J. JANI  
PROPRIETOR  
(Membership No. 044077)  
UDIN:  
Ahmedabad, August 31st 2020.

#### ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the standalone Ind AS financial statements of Chemiesynth (Vapi) Limited)

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

We have audited the internal financial controls over financial reporting of Chemiesynth (Vapi) Limited (the "Company") as of March 31, 2020 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

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

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

#### Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Standalone Ind AS Financial Statements.

#### Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone Ind AS Financial Statements

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone Ind AS Financial Statements

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

#### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Ind AS Financial Statements and such internal financial controls over financial reporting with reference to these Standalone Ind AS Financial Statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MILIN J JANI & CO  
CHARTERED ACCOUNTANTS  
(Firm's Registration No. 106396W)

CA. MILIN J. JANI  
PROPRIETOR  
(Membership No. 044077)  
UDIN:  
Ahmedabad, August 31<sup>st</sup>, 2020



## SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended on 31st March, 2020.

[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

I 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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Due to restricted movement and COVID-19 pandemic, I conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to me are the true and correct.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers and minute books, Forms and returns filed and other records maintained by the Company, for the year ended on 31st March, 2020 according to the applicable provisions, if any, of:

The Companies Act, 2013 (the Act) and the Rules made there under, as applicable.

The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under.

The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

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.

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company:

The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);

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;

The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – (Not applicable for the period under audit.)

The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period).

The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company as mentioned belows:

The Environment Protection Act, 1986; and

Air (Prevention and Control of Pollution) Act 1981 and Rules issued by State Pollution Control Board; and



Customs Act, 1962

Central Motor Vehicles Act, 1988 and Central Motor Vehicles Rules, 1989.

I 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;

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 except following.

1. The appointment of Internal Auditor as required under section 138 of Companies Act, 2013 has not been made by the Company.
2. As per Regulation 31 of LODR, 100% Promoters Holding is not in Demat Mode, only 97.35% of shares are held in demat mode by the promoters.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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. Decisions at the Board Meeting were taken unanimously.

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

I further report that during the audit period;

Mr. Sandeep Zaveri (DIN: 00158876) was appointed as Managing Director of the Company for the further term of five years with effect from 1st October, 2019 in the Board Meeting of Company held on 12th August, 2019.

Date: 31/08/2020.  
Place: Mumbai

Company Secretaries

Nitin Sarfare  
(Proprietor)  
C.P. 36769  
ACS : 13729

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**Annexure A**

**To,  
The Members,  
CHEMIESYNTH (VAPI) LIMITED**

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

Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that processes and practices, I followed provide a reasonable basis for my opinion.

I have not verified the correctness and appropriateness of financial records and Books of Accounts, and related documents of the Company.

Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulation and happening of events, etc.

The Compliance of the provisions of Corporate and the other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Date:31/08/2020  
Place: Mumbai

Company Secretaries

Nitin Sarfare  
(Proprietor)  
C.P. 36769  
ACS : 13729

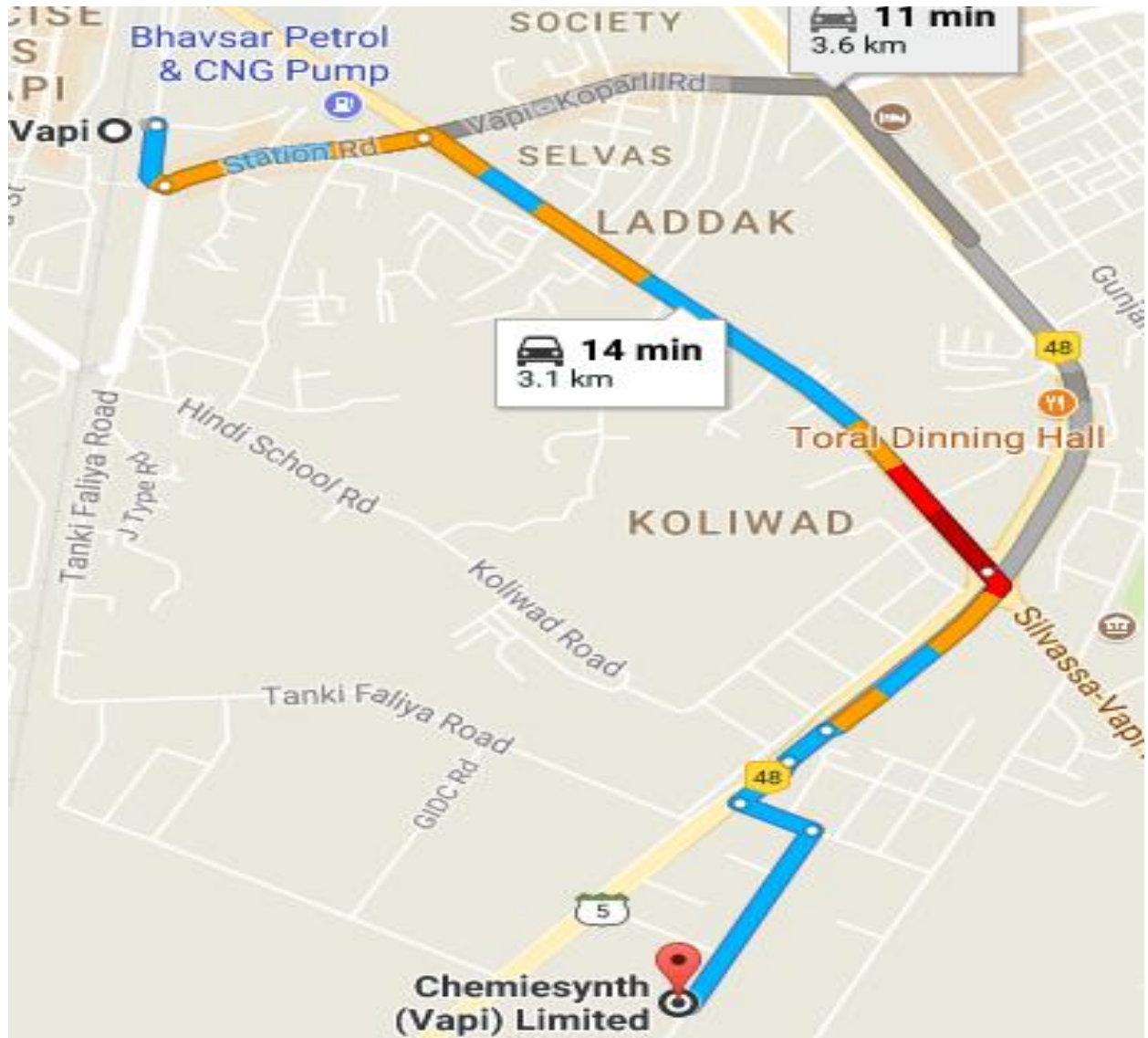
### Route Map of Venue of AGM Meeting

**Add:** Chemiesynth (Vapi) Limited

Plot no. 27, 1st Phase, GIDC, Vapi, Gujarat 396 195.

**Nearest Railway station:** Vapi

Landmark: Opposite to Unimark Remedies Limited





## **CHEMIESYNTH (VAPI) LIMITED**

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

### **ASSENT / DISSENT FORM FOR VOTING ON 34th 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 34<sup>th</sup> Annual General Meeting dated September 30, 2020, 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) |
|---------------------------|--|---------------|-------------------------------------|---------------|--|
| <b>ORDINARY BUSINESS:</b> |  |               |                                     |               |  |
| 1.                        | To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2020, including the audited Balance Sheet as at March 31, 2020, 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.                        | <p>To appoint a director in place of Mr. Bhanuraj N Mehta (DIN: 00158885), liable to retire by rotation in term of section 152(6) of the Companies Act, 2013 and being eligible, seeks reappointment and to pass the following resolution as <b>ordinary resolution</b>:</p> <p><b>"RESOLVED THAT</b> pursuant to the provisions of section 152(6) and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Bhanuraj N Mehta (DIN: 00158885) be and is hereby appointed as director of the company, liable to retire by rotation."</p> |               |                                     |               |  |

**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 34th 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, Proprietor of Nitin Sarfare Company Secretaries, C-502, Raylon Arcade, Ram Krishna Mandir Road, Andheri (East), Mumbai – 400 059,, not later than the close of the working hours (5.00 pm) on 27<sup>th</sup> September, 2020. Ballot Forms received after 27<sup>th</sup> September, 2020 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 23rd September, 2020 ("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. Shinil Unnikrishnan Nambrath, Company Secretary, at the Registered office of the Company, Tel. No. 0260-2401327 or by email at [compliance@chemiesynth.com](mailto:compliance@chemiesynth.com)

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**CHEMIESYNTH (VAPI) LIMITED**  
**Reg. Off.:** Plot No 27, GIDC Vapi, Dist. Valsad, Gujarat, India.  
 Phone No. +91 260 2432885 Fax No. +91 260 2432036  
**Web:** [www.chemiesynth.com](http://www.chemiesynth.com) **Email:** [corporate@chemiesynth.com](mailto:corporate@chemiesynth.com)  
**CIN:** L24110GJ1986PLC008634

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

**Proxy Form for 34<sup>th</sup> Annual General Meeting dated 30/09/2020**

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

|  |   |  |
|--|---|--|
| <b>1.Mr.</b><br><b>/Ms.....</b><br><b>Address:.....</b><br><b>...</b><br><b>Mail</b><br><b>ID:.....</b><br><b>Signature: .....</b> | <b>Failing person at No.1.</b><br><b>2.Mr.</b><br><b>/Ms.....</b><br><b>Address:.....</b><br><b>....</b><br><b>Mail ID:.....</b><br><b>Signature: .....</b> | <b>Failing person at No.2.</b><br><b>3.Mr.</b><br><b>/Ms.....</b><br><b>Address:.....</b><br><b>...</b><br><b>Mail</b><br><b>ID:.....</b><br><b>Signature: .....</b> |
|--|---|--|

as my/our Proxy to attend and vote for me/us on my/our behalf at the **34<sup>th</sup> Annual General Meeting** of the Company, to be held on 30<sup>th</sup> day of September, 2020 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 |
|---------|---|-----|---------|
|         | <b>ORDINARY BUSINESS:</b>   |     |         |
| 1       | To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2020, including the audited Balance Sheet as at March 31, 2020, 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. Bhanurai N Mehta (DIN: 00158885), liable to retire by rotation in term of section 152(6) of the Companies Act, 2013 and being eligible, seeks reappointment and to pass the following resolution as <b>ordinary resolution:</b><br><b>"RESOLVED THAT</b> 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. Bhanurai N Mehta (DIN: 00158885) be and is hereby appointed as director of the company, liable to retire by rotation." |     |         |
|         |   |     |         |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2020.

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.

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## **ATTENDANCE SLIP**

### **CHEMIESYNTH (VAPI) LTD**

Regd. Office : Plot No. 27, GIDC Vapi, Dist : Valsad, Gujarat, India.

CIN : L24110GJ1986PLC008634

Tel : 0260-2432885

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

#### **Attendance Slip**

|  |
|--|
|  |
|--|

I hereby record my presence at the THIRTY FOURTH ANNUAL GENERAL MEETING of the Company at Plot No. 27, GIDC Vapi, Dist : Valsad, Gujarat, India on Wednesday, 30th September 2020 at 11:30 AM.

|   |
|---|
| SIGNATURE OF THE ATTENDING MEMBER/PROXY |
|   |

Notes : 1. Shareholder/Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.

2. Shareholder/Proxyholder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the 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](http://www.chemiesynth.com) **Email:** [corporate@chemiesynth.com](mailto:corporate@chemiesynth.com)

**CIN:** L24110GJ1986PLC008634

Dear Shareholder(s),

This is to inform you that the company is in process of updation of records of the shareholders in order to reduce the physical documentation as far as possible.

With new BSE listing agreement, it is mandatory for all the investors including transferors to complete their KYC information. Hence, we have to update your PAN No., phone no. and e-mail id in our records. We would also like to update your current signature records in our system.

To achieve this we solicit your co-operation in providing the following details to us :

1. If you are holding the shares in dematerialized form you may update all your records with your Depository Participant (DP).
2. If you are holding shares in physical form, you may provide the following to the company at its registered office :

Folio No. :

Pan No. :

E-mail ID :

Telephone No. :

Name and Signatures :  
i.  
ii.  
iii.

Thanking you,

**For Chemiesynth (Vapi) Limited**

Sd/-

**Sandip Satish Zaveri**  
**Managing Director**  
**DIN: 00158876**