

**21<sup>st</sup>**  
**ANNUAL REPORT**  
**2016-17**

***CHEMTECH INDUSTRIAL VALVES LIMITED***  
***ISO – 9001:2008***  
***Certified Company***

## **CHEMTECH INDUSTRIAL VALVES LIMITED**

### **DIRECTORS:**

Pradeep Shikharchand Badkur  
Harsh Pradeep Badkur  
Ignatious David Chittatukarakaran Inasu  
Namrata Pradeep Badkur  
Puneet Pradeep Badkur  
Amit Kumar Jain  
Niranjay Arnrilal Choudhary  
Rajnikant Hemchandra Panday  
Amitabh Rameshchand Luhadi

Chairman & CFO  
Managing Director  
Whole- Time Director  
Executive Director  
Additional Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director

### **AUDITORS:**

M/s. S. P. Jain & Associates,  
602, 6<sup>th</sup> Floor, "Orbit Plaza"  
New Prabhadevi Road, Prabhadevi,  
Mumbai – 400 025.

### **BANKERS TO THE COMPANY:**

(A) INDUSIND BANK LTD  
Shop No. 4 & 5, 'A' Wing,  
"Gundecha Heights", L.B.S. Marg,  
Kanjurmarg (W), Mumbai -400 078

(B) THE BHARAT CO-OP.BANK (MUMBAI)  
LTD.  
Gautam Udyog Bhavan  
L.B.S. Marg Bhandup (W),  
Mumbai- 400078

### **SHARE TRANSFER AGENT:**

M/s. Bigshare Services Pvt. Ltd.  
E.2 & 3, Ansa Industrial Estate,  
Sakivihar, Andheri (E),  
Mumbai- 400072

### **REGISTERED OFFICE:**

105, Hiranandani Ind. Estate,  
Opp. Kanjurmarg Railway Station,  
Mumbai – 400078  
Telephone No. +91-2225839500 / 822  
Email: [investors@chemtechvalves.com](mailto:investors@chemtechvalves.com)  
Website- [www.chemtechvalves.com](http://www.chemtechvalves.com)

### **FACTORY:**

Chemtech Industrial Valves Ltd.,  
Survey No.37, Kondala road,  
Village Vadavali, Kudus,  
Taluka Wada,  
Dist. Palghar - 421312

### **CORPORATE OFFICE:**

503, 5th Floor, Sunrise Business Park,  
Plot No.B-68, Road No.16,  
Wagle Estate, Thane (W),  
Mumbai- 400604

# **Chemtech Industrial Valves Limited**

## **Chairman's Statement - 2016-17**

Dear Shareholders,

I have great pleasure to welcome you all to the 21<sup>st</sup> Annual General Meeting of our Company. It gives me pleasure to communicate with you once again. I am pleased to highlight the Company's performance during last fiscal year. The past year has been challenging for the economy and it seems to remain same in the forth-coming years - your Company has made every possible mean to remain active in this competitive economy.

### **CERTIFICATION:**

We have received industry & client recognition by way of specific accreditations and certifications, which bear a testimonial to our capability to deliver and supply our products to a wide range of customers.

Our Company has been granted the status of an "Approved Manufacturer", "Approved Supplier", or "Approved Vendor" by several leading steel companies, oil & gas companies, fertilizer companies and engineering consultants. It is important for us to retain direct contact with the contractors and end users and we have evolved a suitable system of sales and distribution system for the same.

Our designing capability to innovate enables us to meet the changing customer needs. We believe that our growth has been due to our ability to understand customer needs and build a product of optimal design. I believe in the famous quote of Sir Confucius, Chinese Thinker and Social Philosopher that "Our greatest glory is not in ever falling, but in rising every time we fall." The road ahead is full of challenges, the company is armed with the passion, and the indomitable spirit to achieve success is determined to overcome the challenges.

We value the importance of our relationships and will continue to remain fair & true in all our dealings with all stakeholders.

I express my sincere gratitude to my Directors on the board for their valuable guidance & contribution & thank you all for being with us in this phase and assure you that in upcoming years the Company shall always strive better to give a performance.

Thank you all for attending this meeting Ladies & Gentlemen.

Place: Mumbai.

Date: 07<sup>th</sup> September, 2017

Sd/-  
**Pradeep Shikharchand Badkur**  
**DIN-00036822**  
**Chairman**

# **Chemtech Industrial Valves Limited**

CIN: L29299MH1997PLC105108

(Regd. Office: 105, Hiranandani Indl. Estate, Opp. Kanjur Marg Rly Station, Mumbai – 400078)

Telephone No. +91-22-25839500/8220, Email: [investors@chemtechvalves.com](mailto:investors@chemtechvalves.com)

Website: [www.chemtechvalves.com](http://www.chemtechvalves.com)

## **NOTICE OF THE ANNUAL GENERAL MEETING**

Notice is hereby given that the **21<sup>st</sup> Annual General Meeting** of the members of **Chemtech Industrial Valves Limited** will be held on **Friday, 29<sup>th</sup> September, 2017** at **11.00 a.m.** at 105, Hiranandani Industrial Estate, Opp. Kanjurmarg Railway Station, Mumbai – 400 078 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Financial Statements and the reports of the Board of Directors and Auditors thereon for the Financial Year ended on 31<sup>st</sup> March, 2017.
2. To appoint a director in place of Mrs. Namrata Pradeep Badkur who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Mr. Puneet Pradeep Badkur as a Director of the Company who was initially appointed as an Additional Director on 05<sup>th</sup> May, 2017.

**4. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:**

**“RESOLVED THAT**, in terms of Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. Raju & Prasad Chartered Accountants, (having firm registration no. 003475S), are hereby appointed as Statutory Auditors of the Company from Financial year 2017-2018 to 2021-2022, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 25<sup>th</sup> Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors.”

### **SPECIAL BUSINESS:**

**5. Adoption of New Set of Memorandum of Association under Companies Act, 2013:**

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

**“RESOLVED THAT** pursuant to the provisions contained in section 13(1) and such other sections & rules made under the New Companies Act, 2013, the new set of Memorandum of Association of the company be and is hereby adopted in place of existing Memorandum, as placed before the Board and duly initialed by the Chairman for identification purpose.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regards.”

**6. Adoption of New Set of Articles of Association under Companies Act, 2013:**

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

**“RESOLVED THAT** pursuant to the provisions contained in section 13(1) and such other sections & rules made under the New Companies Act, 2013, the new set of Articles of Association of the company be and is hereby adopted in place of existing Articles, as placed before the Board and duly initialed by the Chairman for identification purpose.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regards.”

## **7. Place of Keeping and Inspection of Registers, Returns, etc.:**

To consider and if thought fit, to pass with or without modification, the following resolution as an Special Resolution:

**“RESOLVED THAT** pursuant to section 94(1) of Companies Act, 2013 and other applicable rules the place of keeping and inspection of registers, returns, etc be and is hereby changed from Registered Office i.e. 105, Hiranandani Industrial Estate, Opp. Kanjurmarg Railway Station, Mumbai – 400 078 to Corporate Office of the Company i.e. 503, 5<sup>th</sup> Floor, Sunrise Business Park, Plot No. B-68, Road No. 16, Wagle Industrial Estate, Thane (W), Mumbai – 400 604.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to so all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regards.”

By the Order of Board of Directors

**Place:** Mumbai

**Date:** 07<sup>th</sup> September, 2017

**sd/-**

**Roma Roopkumar Bhagtani**  
**Company Secretary & Compliance Officer**

**Notes:**

1. **A MEMBER OF THE COMPANY, WHO IS ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, IS ENTITLED TO APPOINT A PROXY, WHO NEED NOT BE A MEMBER, TO ATTEND AND VOTE ON BEHALF OF HIMSELF/HERSELF AND PROXY NEED NOT BE MEMBER OF THE COMPANY.**
2. The Instrument of appointing the Proxy, in order to be effective, must be received at the Company's Registered Office not less than 48 (Forty Eight) hours before the Commencement of Meeting, Proxies submitted on the behalf of the company, society etc. must be supported by appropriate resolution/authority, as applicable, issued on the behalf of the nominating organization. A person can act as proxy on the behalf of members not exceeding fifty (50) in number and holding in aggregate not more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for a proxy for any other person or shareholder.
3. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Nos. in the attendance slip while attending the Meeting for easy identification of attendance at the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 25<sup>th</sup> September 2017 to 29<sup>th</sup> September 2017, both days inclusive.
5. Members/ Proxies are requested to bring the Attendance Slip duly filled up for attending the Meeting.
6. Corporate Members are requested to forward a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
7. The Company's equity shares are listed on BSE Limited. All the listing fees, till date, have been paid.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
10. As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs has allowed companies to send official documents through electronic mode. In order to enable the Corporation to be a part of the said 'Green Initiative', members are requested to provide/update their e-mail address to the dedicated email address, i.e. [investors@chemtechvalves.com](mailto:investors@chemtechvalves.com) and register their request. Annual Report 2016-2017 is being sent by electronic mode to members whose email addresses are currently available with us. However, physical copies of Annual Report will be available at the Registered Office and shall be sent to any member on receipt of a requisition in this regard.
11. Members are requested to bring their copies of the Annual Report at the time of attending the Meeting as the same will not be distributed at the Meeting.

By the Order of Board of Directors

**Place:** Mumbai  
**Date:** 07<sup>th</sup> September, 2017

**sd/-**  
**Roma Roopkumar Bhagtani**  
**Company Secretary & Compliance Officer**

## **Explanatory Statements pursuant to Section 102 of The Companies Act, 2013:**

### **Item No. 4: Appointment of Statutory Auditor for Financial Year 2017-2018 to 2021-2022:**

In terms of the provisions of section 139, 142 of Companies Act, 2013 (the “Act”), no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. The Act further prescribes that the Company has to comply with these provisions within three years from the commencement of the Act.

M/s. S. P. Jain & Associates, Chartered Accountants, Mumbai were re-appointed as Statutory Auditor of the Company in September, 2016. M/s. S. P. Jain & Associates, has been in office for more than 10 years and in compliance with the provisions of the Act, the Company will have to appoint a new auditor in their place in the ensuing Annual general meeting.

The Board of Directors have, at their meeting held on 07<sup>th</sup> September, 2017, recommended the appointment of M/s. Raju & Prasad, Chartered Accountant, (having firm registration no. 003475S), as Statutory Auditor of the Company in place of M/s. S. P. Jain & Associates, Chartered Accountants to hold office from the conclusion of this AGM until the conclusion of the 25<sup>th</sup> Annual General meeting of the Company, subject to ratification by the members at every AGM till the 25<sup>th</sup> AGM.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, are concerned or interested in the said resolution.

### **Item No. 5: Adoption of MOA under The Companies Act 2013:**

As per Section 13 (1) & such other sections & rules made thereunder, Memorandum of Association of the company have to be altered as per the format prescribed by the Companies Act, 2013.

The Directors of your company recommend the adoption of the said Special Resolution as set out in Item No. 5 of the notice in the best interest of the Company.

None of the Directors of your Company are concerned or interested in the proposed resolution except as a Shareholder of the Company.

### **Item No. 6: Adoption of AOA under the Companies Act 2013:**

As per Section 14 (1) & such other sections & rules made thereunder, Articles of Association of the company have to be altered as per the format prescribed by the Companies Act, 2013.

The Directors of your company recommend the adoption of the said Special Resolution as set out in Item No. 6 of the notice in the best interest of the Company.

None of the Directors of your Company are concerned or interested in the proposed resolution except as a Shareholder of the Company.

### **Item No. 7: Place of Keeping and Inspection of Registers, Returns, etc.:**

Pursuant to the provisions of Section 94 of the Companies Act, 2013 and the Rules made there under, the Register of Members and Index of Members required to be kept and maintained by the company under Section 88 and copies of the Annual Return filed by the Company under Section 92 shall be kept at the registered office of the company, provided that such registers or copies of return may also be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved by a special resolution passed at a general meeting of the company and the Registrar has been given a copy of the proposed special resolution in advance.

In view of the above, it is proposed to authorize M/s. Chemtech Industrial Valves Limited, Registrar and Share Transfer Agents, to maintain, preserve and authenticate Register of Members and Index of Members of the Company, at its office situated at 503,

5<sup>th</sup> Floor, Sunrise Business Park, Plot No. B-68, Road No. 16, Wagle Industrial Estate, Thane (W), Thane – 400 604 instead of maintaining the same at Registered Office of the Company.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.



# DIRECTORS' REPORT

**To,  
The Members,  
CHEMTECH INDUSTRIAL VALVES LIMITED**

Your Directors are pleased to present the Twenty First Annual Report of company together with Audited Statement of Accounts and the Auditor's Report for the financial year ended 31<sup>st</sup> March 2017. The summarized financial results for the Financial year are as under:

## **Financial Results:**

The Financial performance of your Company for the year under review is summarized below:

**(Rs. in Lakhs)**

<b>PARTICULARS</b>	<b>31<sup>st</sup> March 2017</b>	<b>31<sup>st</sup> March 2016</b>
Sales & Other Income	<b>4713.13</b>	<b>3919.30</b>
Profit before Interest & Tax	<b>347.64</b>	<b>67.47</b>
<b>Less:</b> Depreciation	<b>116.59</b>	<b>122.63</b>
<b>Less:</b> Finance Charges	<b>198.04</b>	<b>213.79</b>
Profit/(Loss) before Taxation	<b>33.01</b>	<b>(268.95)</b>
<b>Less:</b> Provision for Taxation	<b>21.43</b>	<b>12.70</b>
Net Profit/(Loss) after taxation	<b>11.57</b>	<b>(281.65)</b>

## **Company Performance:**

Your Company has posted financial results during the year under review. Turnover of the Company has increased from Rs. 3919.30 lacs to Rs. 4713.13 lacs and the Net profit increased from Rs. (281.65) lacs to Rs. 11.57 lacs.

## **Dividend:**

The Directors do not recommend any dividend to the Shareholders.

## **Transfer to General Reserve:**

No amount has been transferred to the General Reserve.

## **Export-**

The export sale (FOB) for the year ended March 31, 2017 was Rs. 54,65,873 compared to Rs. 3,02,351 during the previous year (Note No- 34 (E) of Financial Statement).

## **Foreign Exchange Management:**

Transaction in Foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Foreign currency monetary assets and liabilities are converted in Indian currency at the rate of exchange or prevailing at the end of the year. Resultant gain and loss is recognized in the statement of profit and loss for the year.

## **Directors Responsibility Statement:**

In accordance with the provisions of Section 134(3)(c) of the Companies Act 2013 (the Act), your directors confirm that:

a) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures.

b) The Company has 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 as at 31<sup>st</sup> March, 2017 and of the profit /loss of the Company for that period.

c) The Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

d) The annual accounts have been prepared on going concern basis.

e) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

f) The Company has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.

#### **Changes in Share Capital:**

There was no change in the structure of the share capital of the Company during the financial year under review, the details of share capital is given under Note 2 of Financial Statement.

#### **Initial Public Offer:**

The Company has not raised moneys by way of Initial Public Offer (IPO) or further public offer including debt instruments during the year.

#### **Extract of Annual Return:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT-9 as a part of this Annual Report. ('Annexure-I' to the Directors' Report)

#### **Particulars of Loan, Guarantees and Investments under Section 186:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 forms part of the Financial Statements.

#### **Particulars of Contracts or Arrangements with Related Parties:**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 shall be disclosed in Form No. AOC-2. ('Annexure-II' to the Directors' Report)

#### **Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:**

In order to promote safe and indiscriminate environment, the Company has formed an Internal Complaints Committee where employees can register their complaints against sexual harassment. During the year under review Company has not received any complaint of harassment the details of this policy is explained in the Corporate Governance Report.

#### **Vigil Mechanism:**

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated Vigil mechanism which is in compliance with the provisions of section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the details of this policy is explained in the Corporate Governance Report.

#### **Details of Directors and Key Managerial Personnel:**

In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. Namrata Pradeep Badkur, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

The Company has received declarations from all the Directors including Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Regulation 17 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement with the Stock Exchanges.

The Company has drafted a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

The Company has conducted programmes to familiarize Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company works and other allied matters.

**Deposit:**

The Company has not accepted any deposits from the public (details are under annexure (V) to Independent Auditor’s Report).

**Receipt of any commission by MD / WTD from a Company or for receipt of commission / remuneration from it Holding or subsidiary:**

NIL

**Corporate Social Responsibility (CSR) Policy:**

The Company doesn’t fall under the ambit of Section 135 (1), hence, Corporate Social Responsibility policy is not applicable to the Company.

**Meeting of the Board:**

During the year 2016-2017, Five (5) Meetings of the Board were held on 30/05/2016, 08/08/2016, 02/09/2016, 14/11/2016, 10/01/2017. The intervening period between two Board meetings was well within the maximum time gap of four months prescribed in Regulation 17 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The attendances of each member of the Committee are given below:

Name	Designation	Category	Meeting Attendance
Mr.Pradeep Shikharchand Badkur	Director	Chairman	5
Mr. Namrata Pradeep Badkur	Director	Executive Director	5
Mr. Harsh Pradeep Badkur	Managing Director	Executive Director	5
Ignatious David Chittatukarakaran Inasu	Whole Time Director	Executive Director	5
Niranjay Amritlal Choudhary	Independent Director	Non-Executive Director	4
Rajnikant Hemchandra Panday	Independent Director	Non-Executive Director	4
Amit Kumar Jain	Independent Director	Non- Executive Director	4
Amitabh Rameshchand Luhadia	Independent Director	Non- Executive Director	4
Puneet Pradeep Badkur	Additional Director	Executive Director	-

**Audit Committee:**

During the year 2016-2017, only four (4) Audit Committee meetings were held and the accounts were finalized for the year ended 2016-17,

The meetings were held on:  
30/05/2016, 02/09/2016, 14/11/2016, 10/01/2017.

The attendances of each member of the Committee are given below:

Name	Designation	Category	Committee Attendance	Meeting
Mr. Amit Kumar Jain	Independent Director	Chairman	4	
Mr. Harsh Badkur	Managing Director	Member	4	
Mr. Niranjay Choudhary	Independent Director	Member	4	

The Committee’s composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Members of the Audit Committee possess financial/ accounting expertise.

**Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**Nomination & Remuneration Committee Policy:**

The Board of Directors of your Company in the meeting constituted the Nomination and Remuneration Committee with the requisite terms of reference as required under Section 178 of the Companies and other applicable provisions thereof in place of existing Remuneration Committee. The said Committee framed, adopted and recommended the "Nomination, Remuneration & Evaluation Policy".

The Details of the Committee have been provided under Corporate Governance Report.

**Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the companies (Appointment and Remuneration of managerial personnel) rules, 2014:**

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under. ('Annexure IV' to the Directors’ Report)

**Fraud Reporting:**

No cases of fraud have been reported to the Audit Committee / Board during the financial year under review.

**Conversation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

Details provided in Annexure III

**Corporate Governance:**

Your Company is committed to maintain the highest standard of Corporate Governance and adhere to the requirements set out by SEBI. The Report on Corporate Governance as stipulated under Regulation 72 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the shareholder’s information and auditor’s certificate on its compliance, forms a part of this Annual Report.

**Industrial Relations:**

Industrial Relations continue to remain cordial.

## **Management Discussion and Analysis Report:**

A detailed review of the operation, performance and outlook of the Company is given separately under the head Management Discussion and Analysis Report.

## **Auditors:**

The present Statutory Auditors of the Company M/s S.P. JAIN & ASSOCIATES, Chartered Accountants, retire at the conclusion of ensuing Annual General Meeting and are not eligible for re-appointment, so M/s. RAJU & PRASAD, CHARTERED ACCOUNTANTS be and is hereby appointed as Statutory Auditor of the Company from Financial Year 2017-2018 to 2021-2022 to hold the office upto the conclusion of 25<sup>th</sup> Annual General Meeting. The Company has received a letter from new Auditors that their appointment as Statutory Auditors, if made, would be within the limits prescribed under Companies Act 2013, The members are requested to appoint the Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of 25<sup>th</sup> Annual General Meeting.

## **Secretarial Audit:**

Pursuant to the provision of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Pooja Vijay Gohil, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is enclosed as Annexure V hereto.

## **Appreciation:**

The Board of Directors expresses their deep gratitude for the co-operation and support extended to your Company by its customers, suppliers, Bankers and various Government agencies. Your Directors also place on record the commitment and involvement of the employees at all levels and looks forward to their continued co-operation.

**Place:** Mumbai

**Date:** 07<sup>th</sup> September, 2017

**For and on behalf of the Board of Director of,  
CHEMTECH INDUSTRIAL VALVES LIMITED**

**Sd/-  
Pradeep Shikharchand Badkur  
DIN -00036822  
Chairman**

Annexure I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L29299MH1997PLC105108
2	Registration Date	15/01/1997
3	Name of the Company	Chemtech Industrial Valves Limited
4	Category/Sub-category of the Company	Company Limited By Share
		Indian Non Government Company
5	Address of the Registered office & contact details	105 Hiranandani Indl. Estate, Opp. Kanjur Marg Rly Station, Mumbai-400078 Telephone No.: +91-2225839500/822 Email: <a href="mailto:investors@chemtechvalves.com">investors@chemtechvalves.com</a> Website: www.chemtechvalves.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Bigshare Services Pvt. Ltd., E.2 & 3, Ansa Industrial Estate, Sakivihar, Andheri (E), Mumbai- 400072

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10% or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / Services	NIC Code of the Product/ Service	% to total turnover of the company
1.	Manufacturing of Industrial Valves	2813	21.81
2.	Trading –Steel Coil and Wire Rod	4690	70.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (Not Applicable)					
SN	Name and address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
-	NIL	-	-	-	-

IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
<b>(i) Category-wise Share Holding</b>									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 <sup>st</sup> -March-2016]				No. of Shares held at the end of the year [As on 31 <sup>st</sup> -March-2017]				% 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	6519333		6519333	6519333	6519333		6519333	6519333	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	6519333	-	6519333	56.75%	6519333	-	6519333	56.75%	0.00%
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	6519333	-	6519333	56.75%	6519333	-	6519333	56.75%	0.00%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
	-	-	-		-	-	-		
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
	-	-	-		-	-	-		
i) Others (Market Maker)	112000	-	112000	0.98%	20000	-	20000	0.17%	(0.81)%
<b>Sub-total (B)(1):-</b>	112000	-	112000	0.98%	20000	-	20000	0.17%	(0.81)%
<b>2. Non-Institutions</b>									
a) Bodies Corp.	260000	-	260000	2.26%	1492000	0	1492000	12.98%	10.02%
i) Indian			-	0.00%			-	0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	744000	-	744000	6.48%	1036000	0	1036000	9.01	2.53%
ii) Individual	3852000	-	3852000	33.53%	2416000	0	2416000	21.03%	(12.5)%

shareholders holding nominal share capital in excess of Rs 2 lakhs									
c) Others (specify)									
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members	0		0	0.00%	4000		4000	0.03%	0.03%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	4856000	-	4856000	42.27%	4948000	-	4948000	43.07%	0.80%
Total Public (B)	4968000	-	4968000	43.255	4968000	-	4968000	43.25%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-		-	0.00%	-		-	0.00%	0.00%
Grand Total (A+B+C)	11487333	-	11487333	100.00%	11487333	-	11487333	100.00%	0.00%

**(ii) Shareholding of promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% chang e in shareh olding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbe red to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbe red to total shares	% chang e in shareh olding during the year
1	Dinesh Rajabhai Rita	70	0.00%	0	70	0.00%	0	0.00%
2	Jimmy Ignatious Chittatukarakaran	175,000	1.52%	0	175,000	1.52%	0	0.00%
3	Puneet Pradeep Badkur	1,016,668	8.85%	0	1,016,668	8.85%	0	0.00%
4	Pradeep Shikharchand Badkur	1,260,763	10.98%	0	1,260,763	10.98%	0	0.00%
5	Ignatious David Inasu Chittatukarakaran	1,298,500	11.30%	0	1,298,500	11.30%	0	0.00%
6	Harsh Pradeep Badkur	1,314,166	11.44%	0	1,314,166	11.44%	0	0.00%
7	Namrata P Badkur	1,454,166	12.66%	0	1,454,166	12.66%	0	0.00%



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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			6,519,333	56.75%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			6,519,333	56.75%		0.00%

**(iv) Shareholding Pattern of top ten Shareholders**

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Ratnesh Chand Mahavir Prasad Jain				0.00%		0.00%
	At the beginning of the year	31/03/2016		176000	1.53%		0.00%
	Changes during the year		Sold	(28000)	(0.25)%		0.00%
	At the end of the year	31/03/2017		148000	1.28%		0.00%
2	Richa Modi						
	At the beginning of the year	31/03/2016		144000	1.25%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year	31/03/2017		144000	1.25%		0.00%
3	Kamlesh Bhagwandas Bathija						
	At the beginning of the year	31/03/2016		128000	1.11%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year	31/03/2017		128000	1.11%		0.00%
4	Darshanik Valueserve Private Limited						
	At the beginning of the year	31/03/2016		52000	0.45%		0.00%
	Changes during the year		Buy	252000	2.19%		0.00%
	At the end of Year	31/03/2017		304000	2.65%		0.00%
5	Rajeshwari Modi						
	At the beginning of the year	31/03/2016		120000	1.04%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year	31/03/2017		120000	1.04%		0.00%
6	Badri Narayan Modi						
	At the beginning of the year	31/03/2016		120000	1.04%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year	31/03/2017		120000	1.04%		0.00%

7	Blissful Traders Private Limited						
	At the beginning of the year	31/03/2016		0	0.00%		0.00%
	Changes during the year		Purchase	144000	1.25%		0.00%
	At the end of the year	31/03/2017		144000	1.25%		0.00%
8	Blue Diamond Plastoware Private Limited						
	At the beginning of the year	31/03/2016		20000	0.17%		0.00%
	Changes during the year		Purchase	168000	1.46%		0.00%
	At the end of the year	31/03/2017		188000	1.64%		0.00%
9	Babita Pikesh Sharma						
	At the beginning of the year	31/03/2016		0	0.00%		0.00%
	Changes during the year		Purchase	132000	1.14%		0.00%
	At the end of the year	31/03/2017		132000	1.14%		0.00%
10	Alken Management and Financial Services Private Limited						
	At the beginning of the year	31/03/2016		0	0.00%		0.00%
	Changes during the year		Purchase	112000	0.97%		0.00%
	At the end of the year	31/03/2017		112000	0.97%		0.00%

(v) Shareholding of Directors and Key Managerial Personnel:							
SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Harsh Pradeep Badkur						
	At the beginning of the year			1,314,166	11.44%	1,314,166	11.44%
	Changes during the year			no change during the year			
	At the end of the year			1,314,166	11.44%	1,314,166	11.44%
2	Namrata Badkur						
	At the beginning of the year			1,454,166	12.66%	1,454,166	12.66%
	Changes during the year			no changes during year	0.00%		0.00%
	At the end of the year			1,454,166	12.66%	1,454,166	12.66%
3	Pradeep Shikharchand Badkur						
	At the beginning of the year			1,260,763	10.98%	1,260,763	10.98%
	Changes during the year			no change during the year			
	At the end of the year			1,260,763	10.98%	1,260,763	10.98%
4	Ignatious David Inasu Chittatukaran						
	At the beginning of the year			1,298,500	11.30%	1,298,500	11.30%

	Changes during the year			no chenges during year	0.00%		0.00%
	At the end of the year			1,298,500	11.30%	1,298,500	11.30%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.
(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1535.36	-	-	1535.36
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	7.19	-	-	7.19
<b>Total (i+ii+iii)</b>	1542.55	-	-	1542.55
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	75.97	-	-	75.97
<b>Net Change</b>	75.97	-	-	75.97
Indebtedness at the end of the financial year				
i) Principal Amount	1459.39	-	-	1459.39
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6.92	-	-	6.92
<b>Total (i+ii+iii)</b>	1466.31	-	-	1466.31

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:
(Amt. Rs./Lacs)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	Harsh Pradeep Badkur	Ignatious Davis Inasu Chitattukarakaran	(Rs/Lac)
	Designation	Managing Director	Whole Time Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5.20	5.20	10.40
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			-
2	Stock Option			-
3	Sweat Equity			-
4	Commission			-
	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
	Total (A)	5.20	5.20	10.40
	Ceiling as per the Act	Rs. 84 Lacs(Remuneration are paid in Compliance with Section 198 and Schedule of the Companies Act, 2013)		

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

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD					(Amt. Rs./Lacs)
SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name		Pradeep Shikharchand Badkur	Roma Roopkumar Bhagtani	(Rs/Lac)
	Designation	CEO	CFO	CS*	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	4.20	3.48	7.68
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	4.20	3.48	7.68

**\*Note- Salary of CS is included in staff Salary**

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

Place: Mumbai  
Date: 07<sup>th</sup> September, 2017

For and on behalf of the Board of Director  
CHEMTECH INDUSTRIAL VALVES LIMITED

Sd/-  
Pradeep Shikharchand Badkur  
DIN- 00036822  
Chairman

**Annexure II**

**FORM NO. AOC -2**

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

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

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

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	*Please refer the note given below
	Nature of contracts/arrangements/transaction	
	Duration of the contracts/arrangements/transaction	
	Salient terms of the contracts or arrangements or transaction including the value, if any	
	Justification for entering into such contracts or arrangements or transactions'	
	Date of approval by the Board	
	Amount paid as advances, if any	
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

1. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	*Please refer the note given below.
	Nature of contracts/arrangements/transaction	
	Duration of the contracts/arrangements/transaction	
	Salient terms of the contracts or arrangements or transaction including the value, if any	
	Date of approval by the Board	
	Amount paid as advances, if any	

\*NOTE- The details of names, nature of relationship, nature of such contacts/arrangements/transactions/ are disclosed in Note No. 33 of the Financial Statements

**Place:** Mumbai

**CHEMTECH INDUSTRIAL VALVES LIMITED**

**Date:** 07<sup>th</sup> September, 2017

**Sd/-**

**Pradeep Shikharchand Badkur**

**DIN- 00036822**

**Chairman**

### Annexure-III

**Information as per Section 134(3)(m) of the companies act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors Report for the financial year ended March 31, 2017.**

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

##### **A) Energy conservation measures taken at Plant:-**

- a) The energy Conservation measure is an ongoing activity in the company and energy consumption is closely monitored and is expected to reduce the consumption.

There is continuous efforts to up-grade our products and to further develop an indigenous expertise.

- b) Additional Investment and proposals for energy conservation:- NIL

- c) Impact of the measures at (a) and (b) above for reducing of Energy Consumption and consequent impact on cost of production of goods.

The Company present system does not allow us to identify and hence determine precisely the reduction of energy consumption per unit and consequent impact on cost of production of goods

##### **B) TECHNOLOGY ABSORPTION:**

Disclosure of particulars with respect to Technology Absorption as per Form B

##### **1. Research and Development (R & D):**

###### **(i) Benefit derived as a result of R & D:**

- (a) The quality of products of the company has improved and showed marked improvement in its desired properties.
- (b) The R & D activities resulted into development of new products and also acceptability of the products in the market.

###### **(ii) Future plan of Action:**

- (a) Continuation of the measures already initiated by the company.
- (b) Introduction of more process control and detailed quality control as well as cost reduction techniques.
- (c) Development of new value added products
- (d) Technology up gradation and modernization.

###### **(iii) Expenditure on R & D:**

The Company does not account for R&D expenses separately but treat them as revenue expenses and accounts in respective head of revenue accounts. There was no capital expenditure incurred on imported technology during the year.

##### **2. Efforts in brief made towards technology absorption, adaptation and innovation**

- (i) The Company has been developing in house modification/improvement in process technology in its various manufacturing sections, which when and if found suitable have been integrated in the manufacturing process.
- (ii) These have been resulted in improving efficiency, quality & design of the Company's products.

**C) Foreign Exchange Earnings and Outgo:-**

1. Information relating to exports is contained in the Director's Report.
2. Total foreign exchange utilized and earned:-  
Details relating to exports, foreign exchange earnings and expenditure have been given under Note No.- 36 (F to H) of the Financial Statement

**Place:** Mumbai

**Date:** 07<sup>th</sup> September, 2017

**For and on behalf of the Board of Director of,  
CHEMTECH INDUSTRIAL VALVES LIMITED**

**Sd/-  
Pradeep Shikharchand Badkur  
Din- 00036822  
Chairman**



#### **Annexure-IV**

**a) Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the companies (Appointment and Remuneration of Managerial Personnel) rules, 2014.**

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

**Rs. in Lacs**

S.NO.	Name Of The Director/Kmp/And Designation	Remuneration Of Director/Kmp For The Financial Year 16-17	% Increase In Remuneration In Financial Year 16-17 Of Kmp	Ratio Of Remuneration Of Each Executive Director To Median Of Remuneration Of Employees
1	Amitabh Rameshchand Luhadia (Independent Director)	0	0	0
2	Pradeep Shikharchand Badkur	4.20	(0.59)	0
3	Namrata Pradeep Badkur	1.00	0	0
4	Harsh Pradeep Badkur (Managing Director)	5.20	0.41	0
5	Ignatious David Chittatukarakaran Inasu (Whole time Director)	5.20	(0.25)	0
6	Niranjay Amritlal Choudhary (Independent Director)	0	0	0
7	Rajnikant Hemchandra Panday (Independent Director)	0	0	0
8	Amit Kumar Jain (Independent Director)	0	0	0
9	Roma Roopkumar Bhagtani	3.48	0	0

Sitting fees is also considered for calculation of remuneration for the above purpose

**b) Percentage increase in the median remuneration of employees in the financial year:**

The median remuneration is Rs. 15,60,000/- and the percentage increase in the median remuneration of employees in the financial year is NIL%

**c) Number of permanent employees on the rolls of company:**

Number of employees on the rolls of the Company as on 31st March, 2017 was 64 Nos

**d) Explanation on the relationship between average increase in remuneration and Company Performance:**

The increase in average remuneration of all employees in the financial year 2016-17 as compared to the financial year 2015-16 was Nil %. The average increase in median remuneration was in line with the performance of the Company.

**e) Comparison of the remuneration of the Key Managerial Personnel against the performance of your Company:**

PATICULARS	AMOUNT IN (RS)
Remuneration of Key Managerial Personnel (KMP) during financial year 2016-17 (aggregated)	15,60,000
Revenue from operations	46,89,72,984
Remuneration (as % of revenue)	0.33%
Profit before tax (PBT)	33,01,138
Remuneration (as % of PBT)	47.26%

**Company Secretary is consider as staff not included in KMP for the purpose of remuneration.**

**f) The Key Parameters for any variable component of remuneration availed by the Directors:**

The Managing director of the company is not eligible for any commission beside the salary.

**g) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average increase in salaries of employees other than managerial personnel in 2016-17 was NIL%. Percentage increase in the managerial remuneration for the year was NIL%

**h) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:.**

**Highest Paid Director:** Harsh Pradeep Badkur and Ignatious David Chittatukarakaran Inasu Rs.43,333/- p.m.

Name of employee	Salary(per month)	Ratio
Uttam Chivale	75,859	175%
Nitin Umrana	92,912	214%

**i) Affirmation that the remuneration is as per the remuneration policy of the Company:**

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**j) Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) and 5(3) of the companies (appointment and Remuneration of managerial personnel) rules, 2014:-**

(a) Employed throughout the financial year and was in receipt of remuneration for the year in aggregate of not less than Rs. 60,00,000:- NIL

(b) Employed for a part of the financial year and was in receipt of remuneration at a rate in aggregate not less than Rs. 5,00,000/- per month:-NIL

(c) Employed throughout the financial year or part thereof, was in receipt of remuneration in the year which, in the aggregate or at a rate which in the aggregate was in excess of that drawn by the Wholetime Director and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company:- NIL

**Annexure-V**

**SECRETARIAL AUDIT REPORT  
FORM NO. MR-3**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

**To,**  
**The Member,**  
**CHEMTECH INDUSTRIAL VALVES LIMITED**  
105 HIRANANDANI INDL. ESTATE,  
OPP. KANJUR MARG RLY STATION,  
MUMBAI- 400078

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

Based on our verification of the Company's 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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 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 extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India( Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India ( Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India ( Registration to an Issue and Share Transfers Agents ) Regulations, 1993;
  - (g) The Securities and Exchange Board of India ( Delisting of Equity Shares) Regulations, 2009;
  - (h) The Securities and Exchange Board of India (Buyback of Securities ) Regulations, 1998;
6. Other Laws applicable to the Company ;
  - i. Industrial Disputes Act, 1947
  - ii. The Payment of Wages Act, 1936
  - iii. The Minimum Wages Act, 1948
  - iv. Employee State Insurance Act, 1948
  - v. The Employee Provident Fund and Miscellaneous Provisions Act, 1952
  - vi. The Payment of Bonus Act, 1965
  - vii. The Payment of Gratuity Act, 1972
  - viii. The Contract Labour( Regulation and Abolition) Act, 1970

- ix. The Maternity Benefits Act, 1961
- x. Competition Act, 2002
- xi. The Income Tax Act, 1961
- xii. Shops and Establishments Act, 1948
- xiii. Legal Metrology Act, 2009
- xiv. The Central Excise Act, 1944
- xv. The Customs Act, 1962
- xvi. The Finance Act, 1994

We have also examined compliance with the applicable clause of the following;

- I. The Secretarial Standards issue by the Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with Bombay Stock Exchange

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

We 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 period 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 clarification on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

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

Sd/-  
**Pooja Gohil**  
**(Practicing Company Secretary)**  
**Proprietor**  
**ACS: 48414**  
**CP: 18078**

**Place: Mumbai**  
**Date: 28/08/2017**

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 Member,**  
**CHEMTECH INDUSTRIAL VALVES LIMITED**  
105 HIRANANDANI INDL. ESTATE,  
OPP. KANJUR MARG RLY STATION,  
MUMBAI- 400078

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Sd/-**  
**Pooja Gohil**  
**(Practicing Company Secretary)**  
**Proprietor**  
**ACS: 48414**  
**CP: 18078**

**Place: Mumbai**  
**Date: 28/08/2017**

# CORPORATE GOVERNANCE REPORT

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency and fairness in all its transactions in the widest sense and meet its stakeholder’s aspirations and societal expectations. Chemtech Industrial Valves Limited believes in adopting the best practices that are followed in the area of Corporate Governance across various geographies and continues to focus on good Corporate Governance, in line with local and global standards. Its primary objective is to achieve business excellence and to create and enhance value for its shareholders, customers, employees and other stakeholders.

Chemtech Industrial Valves Limited recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders. The Company not only adheres to the prescribed corporate practices as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 but is constantly striving to adopt emerging best practices worldwide. It is our endeavor to achieve higher standards and provide oversight and guidance to management in strategy implementation and risk management and fulfillment of stated goals and objectives.

## 1) Company’s philosophy on Corporate Governance

Corporate Governance is an integral part of the philosophy of Chemtech Industrial Valves Limited in its pursuit of excellence, growth and value creation. The Company emphasizes the need for full transparency, disclosure and accountability in all its transactions, in order to protect the interests of its stakeholders. The Company always strives to achieve optimum performance at all levels by adhering to corporate governance practices. Your Company’s Philosophy is based on the following principles:

- Critically evaluate strategic direction of the Company, Management policies and their effectiveness.
- Management is the trustee of the Shareholders Capital and has the duty to maximize Shareholders Value.
- Have a single & transparent corporate structure driven solely by business needs.
- Be transparent with high degree of disclosure and adequate control system.
- Integrity & ethics in all our dealings.
- Make a clear distinction between personnel conveniences & corporate resources.
- Monitoring of executive performance by the Board.
- Timely disclosure of financial and management information.

## (A) MANDATORY REQUIREMENTS:

### 2. BOARD OF DIRECTORS:

#### Composition of Board:

The total strength of the Board at present is 8 Directors; consisting of 4 Executive Directors, including the Chairman and 4 Non- Executive & Independent Directors. The number of directorships, Committee Membership/ Chairmanship of all Directors is within respective limit prescribed under the Companies Act, 2013 and Listing agreement. The composition of the Board is as under:

#### Directorship in other companies/committee position as on March 31, 2017

Sr. No.	Name of the Director	Category	Directorship* and Chairmanship/Membership** of Board Committees in other public Limited Indian Companies		
			Director	Committee Member	Committee Chairman
1	Pradeep Shikharchand Badkur	Chairman and Executive Director	Nil	Nil	Nil
2	Harsh Pradeep Badkur	Managing Director	Nil	Nil	Nil
3	Ignatious David Chittatukarakaran Inasu	Whole- Time Director	Nil	Nil	Nil

4	Namrata Pradeep Badkur	Executive Director	Nil	Nil	Nil
5	Amit Kumar Jain ***	Independent and Non-Executive Director	Nil	Nil	Nil
6	Niranjay Amritlal Choudhary ***	Independent and Non-Executive Director	Nil	Nil	Nil
7	Rajnikant Hemchandra Panday ***	Independent and Non-Executive Director	Nil	Nil	Nil
8	Amitabh Rameshchand Luhadia ***	Independent and Non-Executive Director	Nil	Nil	Nil

**3. Attendance of the Directors at the Board Meeting and last Annual General Meeting:**

In the year 2016-2017, 5 (Five) Meetings of the Board were held on 30/05/2016, 08/08/2016, 02/09/2016, 14/11/2016 and 10/01/2017. The intervening period between two Board meetings was well within the maximum time gap of four months prescribed in Regulation 17 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of attendance of each Director at the Board Meetings and last Annual General Meeting are as under

Name of the Director	No. of Board Meetings attended held	No. of Board Meetings attended	Attendance in last AGM held on September 30, 2016
Pradeep Shikharchand Badkur	5	5	Yes
Harsh Pradeep Badkur	5	5	Yes
Namrata Pradeep Badkur	5	5	Yes
Ignatious David Chittatukarakaran Inasu	5	5	Yes
Amit Kumar Jain	5	5	No
Niranjay Amritlal Choudhary	5	5	No
Rajnikant Hemchandra Panday	5	5	No
Amitabh Rameshchand Luhadia	5	5	No

**Separate Meeting of Independent Director**

A separate Meeting of Non Executives Directors of the Company, without the attendance of executives and Non Independent Directors and members of the management was held on 08<sup>th</sup> August, 2016 and inter alia, the following points were discussed:-

- The performance of Non Independent Directors and Board as a whole.
- The performance of the Chairperson of the Company taking into accounts the views of Executives Directors and Non executives Directors
- The quality, quantity and timeliness of flow of information between the Company management and Board that necessary for the Board to effectively and reasonably perform the duties.

Mr. Niranjay Amritlal Choudhary, Mr. Rajnikant Hemchandra Panday, Mr. Amitabh Rameshchand Luhadia attended the meeting of the Independent Directors, Mr. Amit Kumar Jain chaired the Meeting.

**Board of Director Evaluation and Criteria for evaluation**

The Nomination and Remuneration Committee of the Company approved a Performance Evaluation Policy during the year, which was adopted by the board of director. The said policy provides for the evaluation for the Board, the committee of the board and the Individual Director, Including Chairman of the Board. The criteria for the board evaluation includes the experience and qualification possess by the directors, their relevant expertise

that will be assistance to management in operating the Company business, integrity, accountability and Judgment of the director, to bring in objectivity in the board proceedings. The policy also sets the independent standards for the Independent Directors to follow and adhere to. It also provides for the procedures for evaluation of the Independent Directors and the Board as a whole.

During the year, the first evaluation cycle was completed by the Company internally which includes the evaluation of the Non Independent Director's and the chairpersons based on their performance, attendance in the Board and Committee meeting and level of the participation in the board proceedings

#### **Familiarization Programme for Non Executive Independent Directors**

As per the provision of the listing agreement with BSE Limited (BSE), the company has put in place a familiarization programme for its Non Executive Independent Directors. This programme is aims to provide insights into the company to enable to the Independent Directors in understanding the company business in details and which also facilitates their active participation in the Board matters. The company familiarizes its Independent Directors with their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, business model of the company etc., through various programmes. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the company. The management provides such information either at meeting of the Board or otherwise. Upon appointment, the Independent Directors also receive a Letter of Appointment setting the details, the terms of the appointment, duties and responsibilities.

#### **(4) Committees Of Board:**

##### **1. Audit Committee:**

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is constituted in compliance with Corporate Governance requirements. The Audit committee consists of three members and is chaired by an Independent Director.

The terms of reference and scope of Audit Committee includes:

- (i) To oversee the Company's financial reporting process and disclosure of its financial information.
- (ii) To recommend the appointment/removal of Statutory/ fixing of Audit fees and approval of payments.
- (iii) To review and discuss with the Auditors on internal control systems and scope of audit, including the observations of the Auditors, adequacy of the internal audit system and major accounting policies.
- (iv) To review quarterly, Half-yearly and Annual Financial Statements before submission to the Board of Directors.
- (v) Review and monitor the auditors independence and performance, and effective of the audit process.
- (vi) Scrutiny of the inter corporate loans and investments
- (vii) Valuation of the undertaking or assets of the company, wherever it is necessary:
- (viii) Evaluation of the internal financial controls and risk management systems.
- (ix) To review the functioning of the Whistle Blower Policy mechanism.
- (x) Discussion with statutory auditors before the audit committee, about the nature and scope of the audit as well as post audit discussion to ascertain any area of concern.
- (xi) Carrying out any other function as is mentioned in terms of the reference of the Audit Committee.

During the year, only 3 (Three) Audit Committee meeting was held and the accounts are getting finalized for the year ended 2016-17,

The meeting was held on:

30/05/2016, 14/11/2016, 02/09/2016, 10/01/2017



The attendances of each member of the Committee are given below:

Name	Designation	Position	Committee Meeting Attendance
Mr. Amit Kumar Jain	Independent Director	Chairman	4
Mr. Harsh Badkur	Managing Director	Member	4
Mr. Niranjay Choudhary	Independent Director	Member	4

**2. Stakeholders Relationship committee :**

In terms of section 178(5) of the Companies Act, 2013 & Regulation 20 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shareholder/Investor Grievance committee was renamed as Stakeholders Relationship committee the committee specifically monitors expeditious redressal of Shareholders & Investor Complaints received from Stock Exchanges, SEBI, ROC, etc. relating to transfer/transmission of shares, non- receipt of Dividends, non-receipt of annual reports, dematerialization of shares and other investor related matter. The Committee also monitors transfer and transmission of shares and split and consolidation of share certificates.

During the year, only 1 (one) Stakeholders Relationship committee was held by the company in the year 2016-17 as on 08<sup>th</sup> August, 2016 which comprised of following members.

Name	Designation	Position	Committee meeting Attended
Mr. Niranjay Choudhary	Independent Director	Chairman	1
Mr. Rajnikant Panday	Independent Director	Member	1
Mr. Pradeep Badkur	Executive Director	Member	1

During the year the no complaints were received from the shareholders.

**3. Share Transfer Committee:**

In compliance with the amended Regulation 40 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in order to expedite the process of share transfer, power to approve share transfers has been delegated to officials of the company.

Further, a committee has been constituted for attending to matters relating to issue of duplicate share certificates, transmission of shares, split & consolidation, etc. committee comprised of following members.

Name	Designation	Position	Committee meeting Attended
Mr. Niranjay Choudhary	Independent Director	Chairman	1
Mr. Rajnikant Panday	Independent Director	Member	1
Mr. Pradeep Badkur	Executive Director	Member	1

**4. Nomination & Remuneration Committee:**

In terms of section 178 of the Companies Act, 2013 & Regulation 19 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Remuneration Committee was renamed as Nomination & Remuneration Committee, the Company has been constituted to review and recommend the remuneration payable to the Executive Director based on their performance and defined assessment criteria.

The remuneration committee constituted is in confirmation with the recommendation under Regulation 19 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as under:

Name	Designation	Position	Independent Director
Mr. Amit Kumar Jain	Independent Director	Chairman	Independent Director
Mr.Niranjay Choudhary	Independent Director	Member	Independent Director
Mr. Rajnikant Panday	Independent Director	Member	Independent Director

The terms of the reference of the Nomination and Remuneration Committee are as follows:

- To formulate the criteria for determine qualification, positive attribute and independence of a director and recommend to the Board a policy, relating to the remuneration of the Director, Key managerial Personnel and other employees.
- To formulate criteria for the evaluation of the Independent Director and the Board.
- To devise a policy on Board diversity.
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance the criteria laid down, and recommend to the Board their appointment and their removal.
- To consider and adopt and adhere to the nomination and remuneration policy.

Sr. No.	Name of the Members	Nomination and Remuneration Committee Meeting held in Members tenure	No. of the Meetings attended during the year
1.	Mr. Amit Kumar Jain	1	1
2.	Mr. Niranjay Choudhary	1	1
3.	Mr. Rajnikant Panday	1	1

The Company has not paid any remuneration or sitting fees to the Non-Executive Directors.

**(5) Policies:**

**a. Vigil Mechanism/Whistler Blower Policy:**

In terms of the Corporate Compliance Program and the Listing Agreement, the Company has a 'Whistle Blower Policy' with an objective of encouraging the employees and the Directors of the Company to raise any concern about company's operations and working environment, including possible breaches of companies policies and standards, values or any laws within the country or elsewhere, without fear of adverse managerial action being taken against such employees. It basically enables the employees as well as Directors to report their concerns which would be looked into and if found appropriate, would be fully investigated and acted upon.

**b. Policy for Prevention of Sexual Harassment:**

Company's quest for competitive excellence consists of its commitment to lawful and ethical conduct and adherence to company's values. Integrity, honesty and respect for people remain some of its core values. The Company is committed to provide a safe & conducive work environment to its employees. Your Company has formulated a 'Policy for Prevention of Sexual Harassment' at workplace, in line with the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereunder. The policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

**c. Code of Conduct for Directors:**

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Code of Conduct for Directors, including Non-Executive Directors and Senior Management of the Company. All Board members and Senior Management personnel have affirmed compliance with the applicable Code of Conduct. A certificate from Mr. Harsh Badkur Managing Director to this effect, is attached to this report. The policies as well as codes are posted on the website of the Company.

**d. Risk Management:**

Risk management comprises all of the organizational rules and actions for early identification of risks in the course of doing business and management of such risks. Risk management includes implementing systems to identify risks at an early stage, report them and take measures to mitigate them.

The Company has laid down procedures to inform the Audit Committee of the Board of Directors about risk assessment and minimisation procedures. These procedures have been periodically reviewed to ensure that executive management monitor and control risks pertinent to their business operations.

The Managing Director - Internal Audit is responsible for coordinating with the various head of Departments with respect to the process of identifying key risks associated with the business, manner of handling risks, adequacy of mitigating factors, recommending corrective action and reporting to the Audit Committee.

**e. Code of Conduct & Code of Fair Disclosures — For Prevention on Insider Trading:**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, the Company has adopted the new Code of Conduct and Code of Fair Disclosures — For Prevention of Insider Trading (Code). The Code is an important governance code to prevent any insider trading activity by dealing in shares of the Company. The Code restricts the Directors, designated persons and any insider to deal in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position in the Company.

The Objective of the Code is to protect the interest of the shareholders and to prevent the misuse of any unpublished price sensitive information and to prevent any insider trading activity. The Code is available on the website of the Company under the Corporate Governance section.

**(6) Information on General Body Meetings:**

**1. Details of Annual General Meetings:**

a) Location and Time of the Annual General Meeting for the last three years are as under:

Year	Venue of the meeting	Date	Time	Details of Special Resolution passed
2015-16	Registered Office:- 105 Hiranandani Indl. Estate, Opp. Kanjur Marg Rly Station, Mumbai: - 400078	30 <sup>th</sup> September, 2016	11.00 A.M.	Ordinary Resolutions passed as per provisions of Companies Act, 2013
2014-15	Corporate Office:- 503, Sunrise Business Park, Plot No. B-68 , Road No. 16 , Near Kisan Nagar -2, Waghale Industrial Estate, Thane (W), 400 604	30 <sup>th</sup> September, 2015	11.00 A.M.	Ordinary Resolutions passed as per provisions of Companies Act, 2013
2013-14	Corporate Office:- 503, Sunrise Business Park, Plot No. B-68 , Road No. 16 , Near Kisan Nagar -2, Waghale Industrial Estate, Thane (W), 400 604	16th September, 2014	11.00 A.M.	Special Resolution passed under Section 180(1)(c) of Companies Act, 2013

**(7) Disclosures:**

- Related party transactions during the year have been disclosed as required under Accounting Standard 18. The transactions are not prejudicial to the interest of the Company.
- There were no instances of penalties, strictures imposed on the Company by stock exchanges, SEBI, or any statutory authority, on any matter related to the capital markets during the year.

- Whistle blower policy and affirmation that no personnel have denied access to the audit committee. The Board of Directors affirms and confirms that no personnel have been denied access to the Audit Committee. However, a formal Whistle Blower policy is not in place.
- Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The Company has duly complied with the mandatory requirements of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors Certificate on Corporate Governance is given as **Annexure III**. The status of the compliance with the non mandatory requirements of this clause has been detailed hereof.

- Code of Conduct: -

The code of conduct as adopted by the Board of Director is applicable to all board of directors, senior management and employees above officers level. The prime purpose of the code is to create an environment wherein all the all the Board Members and Seniors Management of the Company maintain eithical standards and ensure compliance to laid sown ethical standards. The code is available on the Company Website: [www.chemtechvalves.com](http://www.chemtechvalves.com)

The certification from Managing Director are in Annexure I

- CEO AND CFO certificate: The Managing Director and Chief Financial Officer have given a Certificate as contemplated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The certification from Managing Director are in Annexure II

- Share Capital Audit:-  
A practicing Company Secretary carried out a Secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid capital of the company is in agreement with the total number in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- Accounting treatment in preparation of financial statements  
The Company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements. The Company has laid down procedures to inform the Board Members about the risk assessment and minimization procedures.

## **(8) Compliance Officer:**

Ms. Roma Roopkumar Bhagtani is Compliance Officer of the Company.

## **(9) Means of Communication**

### **Quarterly results:**

The quarterly/half yearly results of the Company are regularly sent to the stock exchanges and the same are available on the website of those exchanges.

Further the Financial Results and other relevant information are also available on the website of the Company viz. [www.chemtechvalves.com](http://www.chemtechvalves.com)

**General Shareholders Information:**

a)	<b>Date, Time and Venue of Annual General Meeting</b>	<b>29<sup>th</sup> September, 2017</b> at <b>11.00 a.m.</b> at 105, Hiranandani Industrial Estate, Opp. Kanjurmarg Railway Station, Mumbai – 400 078. Telephone No. +91-22-25839500 / 8220 Email: <a href="http://www.chemtechvalves.com">www.chemtechvalves.com</a>
b)	<b>Financial Year</b>	1 <sup>st</sup> April , 2016 – 31 <sup>st</sup> March, 2017
c)	<b>Dates of Book Closure</b>	25 <sup>th</sup> September 2017 to 29 <sup>th</sup> September 2017(Both days Inclusive)
d)	<b>Scrip ID on BOLT system</b>	CHEMTECH
e)	<b>ISIN No.</b>	INE212P01011
f)	<b>Equity Shares Listed on Stock Exchanges at</b>	<b><u>BSE Limited (BSE)</u></b>  Exchange Code : <b>537326</b>

**\*The Company has paid listing fees to the Stock Exchanges respectively.**

**g) CIN - L29299MH1997PLC105108**

**h) Registered Office:**

105, Hiranandani Ind. Estate,  
Opp. Kanjurmarg Railway Station,  
Mumbai – 400078  
Telephone No. +91-2225839500 / 8220  
Email: [www.chemtechvalves.com](http://www.chemtechvalves.com)  
Website:- [www.chemtechvalves.com](http://www.chemtechvalves.com)

**i) Factory:**

Chemtech Industrial Valves Ltd  
Survey No.37, Kondala road  
Village Vadavali, Kudus,  
Taluka Wada,  
Dist. Palghar - 421312

**j) Market Price Data**

**Monthly high and low quotation of shares traded on BSE during the Financial Year 2016-17:**

Month	High Price	Low Price
Apr- 16	24.70	20.05
May-16	20.05	18.10
June-16	19.85	15.50
July-16	16.00	17.40
Aug-16	18.65	15.05
Sep-16	15.05	14.00
Oct-16	15.00	13.10
Nov-16	15.50	12.15
Dec-16	15.20	12.15
Jan-17	15.00	13.20
Feb-17	16.10	14.00
Mar-17	15.47	12.05

**k) Registrar and Share Transfer Agent:**

**Name**

**Bigshare Services Pvt. Ltd.**

**Address**

**E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road.  
Sakinaka,Andheri(E),Mumbai-400 072.**

**Tel no.- + 91-22-4043 0200**

**E-Mail:- marketing@bigshareonline.com**

**Website:- bigshareonline.com**

**l) Share Transfer System:-**

The Company shares are traded in the stock exchange compulsorily in Demat form. The Company's Registrar and Transfer agent is the common agency to look after Demat share work. The shares lodged for the transfer at the registrar are processed and returned to shareholders within the stipulated time.

**m) Distribution of Shareholdings as on March 31, 2017**

<b>Share Holding of Nominal Value of Rs. 10/-</b>	<b>No. of shareholders</b>	<b>% of shareholders</b>	<b>No.of Shares</b>	<b>% of shareholding</b>
Upto 5000	1	0.5435	700	0.0006
30001-40000	14	7.6087	5,60,000	0.4875
50001-100000	82	44.5652	65,60,000	5.7106
100001 and Above	87	47.2826	10,77,52,630	93.8013
<b>Total</b>	<b>184</b>		<b>11,48,73,330</b>	<b>100.00</b>

**Share holding Pattern as on March 31, 2017**

<b>Category of Shareholders</b>	<b>No. of Shares held at the beginning of the year [As on 31-March-2015]</b>			
	<b>Demat</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Shares</b>
<b>A. Promoters</b>				
<b>(1) Indian</b>				
<b>a) Individual/ HUF</b>	6,519,333		6,519,333	56.75%
<b>b) Central Govt</b>	-	-	-	0.00%
<b>c) State Govt(s)</b>	-	-	-	0.00%
<b>d) Bodies Corp.</b>	-	-	-	0.00%
<b>e) Banks / FI</b>	-	-	-	0.00%
<b>f) Any other</b>	-	-	-	0.00%
<b>Sub Total (A) (1)</b>	6,519,333	-	6,519,333	56.75%
<b>(2) Foreign</b>				
<b>a) NRI Individuals</b>	-	-	-	0.00%
<b>b) Other Individuals</b>	-	-	-	0.00%
<b>c) Bodies Corp.</b>	-	-	-	0.00%
<b>d) Any other</b>	-	-	-	0.00%
<b>Sub Total (A) (2)</b>	-	-	-	0.00%
<b>TOTAL (A)</b>	6,519,333	-	6,519,333	56.75%

<b>B. Public Shareholding</b>				
<b>1. Institutions</b>				
a) Mutual Funds	-	-	-	0.00%
b) Banks / FI	-	-	-	0.00%
c) Central Govt	-	-	-	0.00%
d) State Govt(s)	-	-	-	0.00%
e) Venture Capital Funds	-	-	-	0.00%
	-	-	-	
f) Insurance Companies	-	-	-	0.00%
g) FIIs	-	-	-	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%
	-	-	-	
i) Others (Market Maker)	20,000	-	20,000	0.17%
Sub-total (B)(1):-	20,000	-	20,000	0.17%
<b>2. Non-Institutions</b>				
a) Bodies Corp.				
i) Indian	1492000		1492000	12.98%
ii) Overseas			-	0.00%
b) Individuals				
i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	1036000	-	1036000	9.01%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakhs	2416,000		2416000	21.03%
c) Others (specify)		-		
Non Resident Indians			-	0.00%
Overseas Corporate Bodies			-	0.00%
Foreign Nationals			-	0.00%
Clearing Members	4000		4000	0.03%
Trusts			-	0.00%
Foreign Bodies - D R			-	0.00%
Sub-total (B)(2):-	49,48,000	-	49,48,000	43.07%
Total Public (B)	49,68,000	-	49,68,000	43.25%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%
Grand Total (A+B+C)	11,487,333	-	11,487,333	100.00%

**List of Top Ten Share Holder As On 31<sup>st</sup> March, 2017**

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of share</b>	<b>% TO TOTAL CAPITAL</b>
1.	Ratnesh Chand Mahavir Prasad Jain	148,000	1.28%
2.	Richa Modi	144,000	1.25
3.	Kamlesh Bhagwandas Bathija	128,000	1.11
4.	Darshanik Valueserve Private Limited	304,000	2.64%
5.	Rajeshwari Modi	120,000	1.04
6.	Badri Narayan Modi	120,000	1.04
7.	Blissful Traders Private Limited	144,000	1.25%
8.	Blue Diamond Plastoware Private Limited	188,000	1.63%
9.	Babita Pikesh Sharma	132,000	1.14%
10.	Alken Management and Financial Services Private Limited	112,000	0.97%

**Pledge Of Equity Shares**

None of the equity shares held by the promoters and/or promoter group as on March 31, 2017 have been pledged or otherwise encumbered.

**Dematerialisation Of Shares:**

The Company has appointed Big Share Services Private Limited, as the Registrars of the Company for establishing connectivity with NSDL and CDSL.

**Outstanding ADR/ GDR**

Not Applicable

**Address For Correspondence:**

105, Hiranandani Ind. Estate,  
Opp. Kanjurmarg Railway Station,  
Mumbai – 400078  
Telephone No. +91-2225839500 / 8220  
Email: [www.chemtechvalves.com](http://www.chemtechvalves.com)  
Website:- [chemtechvalves.com](http://chemtechvalves.com)

**Alternate Address for Correspondence:**

503, 5th Floor, Sunrise Business Park,  
Plot no.B-68, Road no.16,  
Wagle Estate,  
Thane (W),  
Mumbai- 400604.

**Office of the Chairman:**

Your Company Maintain the office of the Chairman at 105, Hiranandani Ind.Estate, Opp. Kanjurmarg Railway Station, Mumbai – 400078

**Place:** Mumbai

**Date:** 07<sup>th</sup> September, 2017

For and on behalf of the Board of Director  
**CHEMTECH INDUSTRIAL VALVES LIMITED**

Sd/-  
**Pradeep Shikharchand Badkur**  
**DIN- 00036822**  
**Chairman**



**ANNEXURE I**

**ANNUAL CERTIFICATION BY MANAGING DIRECTOR PURSUANT TO REGULATION 34 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

As the Managing director of Chemtech Industrial Valves Limited and as required pursuant to Regulation 34 Of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, I hereby declare and certify that all the Board members and senior management personnel of Chemtech Industrial Valves Limited have affirmed compliance with the code of conduct adopted by the Company for the year 2016-17.

**For Chemtech Industrial Valves Limited**

**Sd/-  
HARSH PRADEEP BADKUR  
DIN No- 00676715  
(Managing Director)**

## **ANNEXURE II**

### **CEO and CFO CERTIFICATION**

We, Pradeep Shikharchand Badkur, Chief Financial Officer and Harsh Badkur, Managing Director of Chemtech Industrial Valves Limited, to the best of our knowledge and belief, certify that:-

- We have viewed the Balance Sheet & Profit & Loss Account (Statement of Profit & Loss) (Consolidated & Standalone) and all the schedules and notes on accounts, as well as the cash flow statements, and Directors Report.
- Based on our Knowledge & information, these statements do not contain any untrue statement of a material facts or omit to state any material fact necessary to make the statements made, in the light of the circumstances under which such statements were made, not misleading with respect to the statement made.
- Based on our Knowledge & information, the financial statements, and other financial information included in this report, present in all material respect, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flow of the company as of, and for, the periods presented in this report, and are in compliance with existing accounting standards and/or applicable laws and regulations.
- To the best of our knowledge and belief, no transactions entered into by the Company during the financial year are fraudulent, illegal or in violation of the Company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of the Internal Control Systems of the company pertaining to Financial Reporting and the same have been disclosed to the auditors and the Audit Committee. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- We have indicated to auditors and the Audit committee that:
  - a. There have been no significant changes in internal control over Financial reporting during the year under reference;
  - b. There have been no significant changes in Accounting Policies during the year requiring disclosure in the notes to the Financial Statements; and

**sd/-**  
**Harsh Pradeep Badkur**  
**DIN No- 00676715**  
**(Managing Director)**

**sd/-**  
**Pradeep Shikharchand Badkur**  
**DIN- 00036822**  
**(Chief Financial Officer)**

Place: Mumbai

Date: 07<sup>th</sup> September, 2017

**Annexure-III**

**Auditor's Certificate on Corporate Governance**

To,  
The Members  
Chemtech Industrial valves Limited

We have examined the compliance of conditions of Corporate Governance by Chemtech Industrial Valves Limited for the year ended March 31, 2017 stipulated in Chapter IV of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in said Clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has fully complied with all the mandatory conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

For S.P. Jain & Associates  
Chartered Accountants  
Firm Reg. No. 103969W

Kapil K Jain  
Partner  
M.No. 108521

Place: Mumbai  
Date: 30<sup>th</sup> May, 2017

# MANAGEMENT DISCUSSION & ANALYSIS

## 1. Valve:

A valve is a device that regulates and controls the flow of a fluid. Valves are used to control or divert the flow of liquids, gases, slurries, dry material or steam in all types of industries. They are also used to control or isolate the rate of flow volume, pressure, direction or a combination of these parameters. There are only two known ways of controlling the flow of liquids and gases, and all valves.

According to the recently published report by Tech Sci Research, "India Industrial Valves Market Forecast & Opportunities, 2020", India's industrial valves market is largely dominated by organized manufacturers and is expected to witness double digit growth at a CAGR of 13% during the forecast period. Over the past two decades, many of the leading global valve manufacturers have identified India as a high potential market for valves and thus entered the market. Leveraging their expertise and technical know-how, these players have been able to identify the potential applications of valves in various industrial applications and process industries. Indian valve industry has come a long way from making simple valves to producing a wide range of sophisticated precision valves. The demand for valves is witnessing growth in almost all areas. All core sectors of industry require various types of valves for expansion of capacities, de-bottlenecking or routine maintenance and repairs of plants.

## 2. Opportunities & Threat:

### i. Fully Integrated Manufacturing Facility:

Our manufacturing facility is fully integrated and self-sufficient. The raw materials and consumables are readily available. Further, all other utilities like fuel, power and human resources have posed no hurdle till date. All the equipment required for manufacturing the products are in place.

### ii. Experienced Management team:

Our Company is managed by a team of professionals led by Chairman, Mr. Pradeep Shikharchand Badkur, who has over 15 years of experience in this business. We believe our growth strategy in combination with management's demonstrated ability to consistently meet the customers' high expectations for quality and reliability, serves as a foundation for future revenue growth and stable operating profit. The promoter and Senior Management team of our Company has significant industry experience and has been instrumental in the consistent growth of our Company's performance.

### iii. Continuous focus on developing novel and innovative products:

For any company, innovation and technical progress are key factors for its success in the long term. Our Company constantly encourages its people to innovate and develop new products for catering to demands of our customers. We are in constant touch with our clients in order to assess their requirements for increasing their process efficiency. This has helped our Company to become a Solution Provider and not just a manufacturing concern.

### iv. Strong Customer-Base:

We have long-standing relationships with our customers for whom we have executed repeat orders over an extended period of time, which we believe have been established and are strengthened by the dedicated infrastructure and our ability to meet Clients' requirements for customized products. Our customers include leading steel plants, government companies, engineering companies and EPC contractors.

In order to strengthen our relationship with our customers, we have appointed authorized representatives/ channel partners of the company at most of our major client/consultant locations for handling day to day activities at their respective location. We also have representatives at various major cities. These representatives channel partners are responsible to generate business from their respective geographical region, liaising with existing customers, solving their queries and providing after sales service to the client. All the activities are taken place in close co-ordination with the client. Necessary technical help is provided to our representatives for conducting business on our behalf.

**v. Technical expertise and vast industry experience:**

All our Promoters are experienced in our line of business. Further we have employed professionals having technical and commercial backgrounds. Our Company feels that the strength of any successful organization lies in both, the experience and guidance of its team leaders and the efficiency and technical capability of the staff. A lot of care has been taken in choosing the right people for right job.

**vi. Quality Assurance and Standards:**

Our company believes in imbibing stringent quality standards in all our processes and products. Our company has been accredited with ISO 9001-2008 certification. Our company is dedicated towards quality of our products, processes and inputs. We adhere to quality standards as prescribed by our customers, which enable us to maintain our brand image in the market.

**2. Future Outlook:**

The Indian Economy is unstable but showing signs of revival in near future. The demand for valves is witnessing growth in almost all areas. All core sectors of industry require various types of valves for expansion of capacities, de-bottlenecking or routine maintenance and repairs of plants for which Valves will be very productive.

**4. Internal Control Systems & Their Adequacy:**

Your Company has a sound internal control system commensurate with its size. Internal Audit reports are discussed by the professionals & member of audit committee & suitable corrective actions as suggested are adopted by the management. We have always believed that transparency, systems and controls are important factors in the success and growth of any organization.

**5. Material Development on Human Resources / Industrial Relations:**

The biggest strength of the Company has always been its people. Only with their participation we have managed to achieve a healthy work culture, transparency in working, fair business practice and a passion for efficiency. The Company follows a unique, home grown philosophy of allowing people to set their own targets and give them the freedom to achieve: 'I can'. This philosophy has spread across all our employees and has been a constant source of motivation for our people. Further, to enhance their skills and enrich their experience, the Company provides continuous training. This includes workshops, courses, seminars and visit to the Company's plants. Of late, we have also started in-house conferences for various disciplines. Employees from all our offices are invited to participate. It is a useful forum for sharing experiences, ideas, innovations and developmental work undertaken in their respective work places. From the beginning, we have followed a progressive policy of taking keen interest in the well-being and progress of our people. All of this, we believe, has nurtured a strong sense of belonging among our people. During the year under review, Industrial Relations were cordial.

**6. Cautionary Statement:**

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

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

**CHEMTECH INDUSTRIAL VALVES LIMITED**

Place: Mumbai

Date: 07<sup>th</sup> September, 2017

**sd/-**

**Harsh Pradeep Badkur**

**DIN-00676715**

**Managing Director**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF CHEMTECH INDUSTRIAL VALVES LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **CHEMTECH INDUSTRIAL VALVES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### **Emphasis of Matters**

We draw attention to Note 3 in the financial statements which indicates that the Company has accumulated losses of Rs. 7,78,96,172/- and its net worth has been substantially eroded. Also the Company has consecutively incurred a net loss/net cash loss during the previous year(s), albeit in the current year it has been able to turnaround with marginal profit/ cash profit. However, this condition still indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note 1 (I) (e).

Our opinion is not modified in respect of these matters.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit/~~loss~~ and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our 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 financial statements-refer Notes 30 to the financial statements
    - ii. The Company has long term contract but, does not have any derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transfer, to the Investor Education and Protection Fund by the Company during the year ended 31.03.2017.
    - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on Audit procedures and relying on Management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management Refer No. 37 to the financial statements.

**For S. P. JAIN & ASSOCIATES,**  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 103969W

Place : Mumbai.  
Date : 30-05-2017

**KAPIL K. JAIN**  
(PARTNER)  
Membership No. 108521

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in Paragraph 1 under the heading “Report on other legal and regulatory requirements” of our Independent Auditor’s Report of even date to the members of **CHEMTECH INDUSTRIAL VALVES LIMITED** On the financial statements as of and for the year ended 31.03.2017,

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) According to information and explanations given to us and on the basis of our examination of records the title deeds of immovable properties are held in the name of the company.
- (ii) The management has conducted the physical verification of inventory at reasonable intervals and no material discrepancies have noticed on physical verification of the inventory as compared to books records.
- (iii) 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 Act. Accordingly, the provisions of clause 3 (iii) (a) to (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 loans, guarantees and security covered u/s 185 and 186; the investment made by the company is in compliance with the provisions of section 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) We have broadly reviewed the accounts and records maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of section 148 of the Act, and are of the Opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues, wherever applicable, and any other applicable statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable except the following:

STATUTES	NATURE OF DUES	AMOUNT (Rs.)	PERIOD	DUE DATE	DATE OF PAYMENT
<i>Sales tax</i>	<i>Deferment Installment</i>	18,52,534	<i>1999-00 to 2001-02</i>	<i>Annual installments</i>	
<i>Central Sales tax</i>	<i>CST</i>	16,58,454	<i>2012-13</i>	<i>Monthly installment</i>	

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute except as mentioned below:

Sr. No.	Name of Statute	Nature of Dues	Forum where Dispute is pending	Financial Year	Amount in Rs.
1	Central Sales tax	CST	Comm. of sales Tax	2006-07	2,70,979
2	Central Sales tax	CST	Comm. of sales Tax	2009-10	42,59,201



3	Income tax	IT	Income tax officer	2011-12	34,350
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- (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 borrowing to financial institution and to banks. The Company did not have any loan or borrowing from government and Debenture holders.
- (ix) The company has not raised moneys by way of initial public offer or further public offer including debt instruments during the year. Further the term loan taken during the year was applied for the purpose for which it is raised.
- (x) During the course of our examination of the books and records of the company, carried in accordance with auditing standard generally accepted in India, we have neither come across any instance of fraud on the Company by its officers or employees noticed or reported during the course of our audit nor have we been informed of any such instance by the management.
- (xi) As explained to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For **S. P. JAIN & ASSOCIATES,**  
**CHARTERED ACCOUNTANTS**  
 Firm Reg. No. 103969W

**KAPIL K. JAIN**  
 (PARTNER)  
 Membership No. 108521

**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of CHEMTECH INDUSTRIAL VALVES 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 **CHEMTECH INDUSTRIAL VALVES LIMITED** (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone 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.

**Auditors’ Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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

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

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 **S. P. JAIN & ASSOCIATES,**  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 103969W

**KAPIL K. JAIN**  
(PARTNER)  
Membership No. 108521

Place : Mumbai.

Date : 30-05-2017

## **NOTES ON FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2017**

### **NOTE:1 - SIGNIFICANT ACCOUNTING POLICIES**

#### **I. BASIS OF PREPARATION**

- a) These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspect with the Accounting Standards notified under Section 211(3C) of Companies Act, 1956 [Companies ( Accounting Standards), 2006 as amended] and other relevant provisions of the Companies Act, 2013.
- b) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule – III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current / non-current classification of assets and liabilities.
- c) Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.
- d) The preparation of financial statements requires estimates and assumption to be made that effect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period .The Difference between the actual and estimate are recognized in the period in which results are known/materialized.
- e) In spite of the fact that more than 50% of the accumulated surplus is lost during the previous years but, there has been remarkable turnaround in terms of profits/ cash profit for the current year which signals that, the going concern assumption used in the preparation of the financial statements is appropriate and justified, because valuation and realisability / payability of all assets and liabilities do not change materially with the change of the assumption. With change in Macro-economic scenario the Company is hopeful that it's efforts for turnaround will be fruitful in the immediate short term.

#### **II. TANGIBLE FIXED ASSETS AND DEPRECIATION**

- a) Tangible Fixed Assets are stated at cost of acquisition or construction except assets which has been revalued, at its revalued amount, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Temporary constructions/alterations are charged off to Profit and Loss Account.
- b) Depreciation has been provided as under:
  - (i) For assets existing on 1st April 2014 the carrying amount will be amortized over the remaining useful lives on straight line method as prescribed in the schedule II of the Companies Act, 2013.
  - (ii) For the assets added after the 1st April 2014 :- On straight line method at the useful standard Lives prescribed in Schedule II to the Companies Act, 2013.
  - (iii) On the revalued assets the additional charge of depreciation on account of revaluation is withdrawn from revaluation reserve and credited to the retained surplus/deficit in profit and loss.
  - (iv) Deprecation on assets sold during the year is provided on pro-rata basis.

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- a) Intangible Assets are stated at acquisition of cost, net of accumulated amortization and accumulated impairment losses, if any.
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Assessment is done at each Balance Sheet date as to whether there is any indication that a tangible asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of asset that generates cash inflows from continuing use that are largely independent of the cash inflow 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 assets 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.

#### V. **BORROWING COST**

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such assets up to the date when such assets are ready for its intended use.

Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

#### VI. **INVESTMENTS**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

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Raw materials, components, stores and spares, and packing material are valued at lower of cost or net reliable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost of inventories is computed on a weighted-average basis.

Work-in-progress, finished goods and Stock-in-trade are valued at lower of cost or net realizable value. Cost of Finished goods and work-in-progress comprises raw material, direct labour, other direct costs and other related production overheads upto the stage of bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sales.

#### VIII. **TRANSLATION OF FOREIGN CURRENCY ITEMS**

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Foreign currency monetary assets and liabilities are converted in Indian currency at the rate of exchange prevailing at the end of the year. Resultant gain or loss is recognized in the statement of profit and loss for the year.

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- a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.
- b) Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sale of goods and services are recorded net of trade discounts, rebates, Excise duty, service Tax but include Sales Tax and Value Added Tax
- c) Revenue from services are recognized as they are rendered based on agreements / arrangements with the concerned parties and recognized net of Service Tax.
- d) Interest Income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.
- e) Dividend income on investments is accounted for when the right to receive the payment is established.

## X. PURCHASES & INDIRECT TAXES

- a) Purchases are accounted net of excise duty paid but including the VAT/CST. However at the end of year unadjusted VAT against VAT liability on sale is reduced from the Purchase Cost.
- b) **VAT/ CST Transactions:** VAT, CST paid (after taking credit for taxed paid on inputs is directly charged to statement of Profit and Loss.

## XI. RETIREMENT AND OTHER EMPLOYEE BENEFITS

### (a) Defined Contribution Plan

The Company makes defined contribution to Government Employee Provident Fund, which are recognized in the Statement of Profit and Loss on accrual basis. The company has no further obligation beyond its contribution.

### (b) Defined Benefit Plan

- i) The Company's liabilities under Payment of Gratuity Act are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss as income or expenses. Obligation is measured at the present value of estimated future cash flow using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation.
- ii) **Leave Salary:** Leave Salary for accumulated compensated absences that are expected to be availed or encashed by eligible employees within 12 months from the end of the year are treated as short term employees benefits, which is provided at the expected cost.

## XII. TAXATION

Tax expense for the period, comprising Current tax and Deferred Tax are included in the determination of 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 taxation laws prevailing in India.

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 on unabsorbed carry forward losses are recognized only upon definite virtual certainty of future taxable income is available and not otherwise.

Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted and substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company re-assesses unrecognized deferred tax assets, if any.

## XIII. OPERATING LEASES

**As a Lessee :** Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

## XIV. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares.

**XV. CONTINGENT LIABILITIES AND PROVISIONS**

**Provision:-**

provision are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

**Contingent liabilities:-**

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

**XVI. Cash and Cash Equivalents:**

In the Cash flow statement, cash and cash equivalents include cash on hand, demand deposits with bank including short term margin money against bank guaranty issued.

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017**

**(Amount in Rs.)**

Particulars		Note No.	As at 31st Mar 2017	As at 31st Mar 2016
I.	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' funds</b>			
	(a) Share capital	2	114,873,330	114,873,330
	(b) Reserves and surplus	3	(43,159,878)	(44,317,539)
			<b>71,713,452</b>	<b>70,555,791</b>
2	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	4	98,122,798	104,914,244
	(b) Deferred tax liabilities	5	10,136,556	8,024,908
	(c) Other non-current Liability	6	753,793	1,265,743
	(d) Long-term Provisions	7	1,007,305	950,255
			<b>110,020,452</b>	<b>115,155,150</b>
3	<b>Current liabilities</b>			
	(a) Short-term borrowings	8	47,816,501	48,622,007
	(b) Trade payables	9	85,824,623	240,785,877
	(c) Other current liabilities	10	24,681,348	18,452,514
	(d) Short-term provisions	11	293,479	59,753
			<b>158,615,952</b>	<b>307,920,151</b>
	<b>TOTAL</b>		<b>340,349,855</b>	<b>493,631,092</b>
II.	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	12	158,663,627	169,838,285
	(ii) Intangible assets	12	492,104	597,819
	(b) Non-current investments	13	537,752	537,752
	(c) Long Term Loans & Advances	14	362,560	348,460
	(d) Other Non-current Assets	15	1,800,823	342,115
			<b>161,856,867</b>	<b>171,664,431</b>
2	<b>Current assets</b>			
	(a) Inventories	16	23,033,281	29,344,449
	(b) Trade receivables	17	124,558,228	269,619,916
	(c) Cash and cash equivalents	18	24,528,232	20,228,180
	(d) Short-term loans and advances	19	824,035	288,349
	(e) Other current assets	20	5,549,212	2,485,767
			<b>178,492,988</b>	<b>321,966,661</b>
	<b>TOTAL</b>		<b>340,349,855</b>	<b>493,631,092</b>
	<b>Significant accounting Policy</b>	1		
	<b>Notes to financial statements</b>	2 to 37		
<b>As per our report of even date</b>				
<b>FOR &amp; ON BEHALF OF THE BOARD OF DIRECTORS</b>				
<b>FOR S.P.JAIN &amp; ASSOCIATES</b>				
<b>CHARTERED ACCOUNTANTS</b>				
<b>FRN: 103969W</b>		<b>Pradeep</b>	<b>C. D. Ignatious</b>	<b>Roma Bhagtani</b>
		<b>S. Badkur</b>		<b>COMPANY</b>
		<b>DIRECTOR</b>	<b>DIRECTOR</b>	<b>SECRETARY</b>
		DIN:	DIN: 01750827	
00036822				
<b>Kapil K. Jain</b>				
<b>PARTNER</b>				
<b>(M. No.108521)</b>				
PLACE : MUMBAI				
DATE : 30/05/2017				



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**(Amount in Rs.)**

Particulars		Note No.	Year ended 31-March-2017	Year ended 31-March-2016
<b>I</b>	<b>Income</b>			
	Revenue from operations	<b>21</b>	468,972,984	390,622,138
	Other income	<b>22</b>	2,340,198	1,308,432
	<b>Total Revenue</b>		<b>471,313,182</b>	<b>391,930,570</b>
<b>II</b>	<b>Expenses</b>			
	Cost of materials consumed	<b>23</b>	64,091,649	40,228,139
	Change in inventories of FG & WIP	<b>24</b>	5,008,905	(2,383,885)
	Purchases of stock in trade		320,666,774	305,017,593
	Employee benefits expense	<b>25</b>	16,832,025	13,551,177
	Finance costs	<b>26</b>	19,804,345	21,379,172
	Depreciation and amortization expense	<b>12</b>	11,659,421	12,263,155
	Other expenses	<b>27</b>	29,948,924	28,770,326
	<b>Total expenses</b>		<b>468,012,044</b>	<b>418,825,678</b>
<b>III</b>	<b>Profit before Exceptional items (I- II)</b>		<b>3,301,138</b>	<b>(26,895,108)</b>
	Less: Exceptional Items			
<b>IV</b>	<b>Profit before tax</b>		<b>3,301,138</b>	<b>(26,895,108)</b>
<b>IV</b>	<b>Tax expense:</b>			
	(1) Current tax		-	-
	(2) Deferred tax	<b>5</b>	2,111,648	1,270,276
	(3) Short provision for tax		31,830	-
<b>V</b>	<b>Profit (Loss) for the period III + IV)</b>		<b>1,157,660</b>	<b>(28,165,384)</b>
<b>VI</b>	<b>Earnings per equity share:</b>			
	Basic & Diluted (face value of shares is Rs.10 each			
		<b>1</b>	<b>0.10</b>	<b>(2.45)</b>
<b>Significant accounting Policy</b>		<b>1</b>		
<b>Notes to financial statements</b>		<b>2 to 37</b>		

**As per our report of even date  
FOR S.P.JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN: 103969W**

**Kapil K. Jain  
PARTNER  
(M. No. 108521)**

**Roma Bhagtani  
COMPANY SECRETARY**

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS**

**Pradeep S. Badkur  
DIRECTOR  
DIN: 00036822**

**C. D. Ignatious  
DIRECTOR  
DIN: 01750827**

PLACE : MUMBAI  
DATE : 30/05/2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

(Amount in Rs.)

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before tax	3,301,138	(26,895,108)
<u>Adjustments for:</u>		
Depreciation and amortization	11,659,421	12,263,155
Finance costs	19,804,345	21,379,172
Provision for Gratuity	290,776	594,650
Sundry Balance written off	(556,554)	(158,554)
Interest Received	(469,563)	(938,798)
Dividend income	(38)	(38)
<b>Operating Profit before Working capital changes</b>	<b>34,029,525</b>	<b>6,244,479</b>
<b>Adjusted for:</b>		
Inventories	6,311,168	538,374
Trade receivables	145,061,688	(228,764,602)
Long Term Loans & Advances	(14,100)	719,090
Other Non-current Assets	(1,458,708)	1,091,502
Short-term loans and advances	(535,686)	460,698
Other current assets	(2,538,720)	(107,518)
Long Term Provision	(233,726)	(53,591)
Short Term Provision	233,726	53,591
Trade payables	(154,961,253)	221,899,652
Other current liabilities	5,716,884	109,875
	<b>31,610,797</b>	<b>2,191,551</b>
<b>Cash Generated from Operations</b>		
Taxes paid	-	-
<b>Net Cash Generated from Operations</b>	<b>31,610,797</b>	<b>2,191,551</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Fixed assets	(379,050)	(581,070)
Sale of Fixed assets	-	-
Interest Received	469,563	938,798
Dividend received	38	38
<b>Net cash used in investing activities:</b>	<b>90,551</b>	<b>357,766</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from long-term borrowings (net of repayment)	(6,791,446)	14,906,524
Proceeds from other short-term borrowings	(805,506)	2,007,856
Finance cost	(19,804,345)	(21,379,172)
<b>Net cash used in financing activities</b>	<b>(27,401,297)</b>	<b>(4,464,792)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>4,300,052</b>	<b>(1,915,476)</b>
Cash and cash equivalents at the beginning of the year	20,228,180	22,143,656
<b>Cash and cash equivalents at the end of the year</b>	24,528,232	20,228,180
<b>CLOSING BALANCE OF CASH AND CASH EQUIVALENTS</b>		
(i) Cash in Hand	772,148	652,155
(ii) <u>Balances with Banks</u>	23,756,085	19,576,025
<b>TOTAL</b>	<b>24,528,232</b>	<b>20,228,180</b>
<b>Notes:</b>		
<b>1)</b> The Cash Flow statement has been prepared under the 'Indirect Method ' as set out in the AS-3 " Cash Flow Statement" and notified in Companies (accounting standards) rules,2006 (as amended )		
<b>2)</b> Figure in brackets indicates cash outflow.		

3. Previous year figures have been regrouped/rearranged wherever necessary.

As per our report of even date.

**FOR S.P. JAIN & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**Firm Reg. No. 103969W**

**KAPIL K. JAIN**  
PARTNER  
(M. No. 108521)

Place : Mumbai  
DATE : 30/05/2017

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS**

<b>Pradeep S. Badkur</b> <b>DIRECTOR</b> DIN: 00036822	<b>C. D. Ignatious</b> <b>DIRECTOR</b> DIN: 01750827
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**Roma Bhagtani**  
**COMPANY SECRETARY**

**NOTE:1 - SIGNIFICANT ACCOUNTING POLICIES**

**I. BASIS OF PREPARATION**

- a) These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspect with the Accounting Standards notified under Section 211(3C) of Companies Act, 1956 [Companies (Accounting Standards), 2006 as amended] and other relevant provisions of the Companies Act, 2013.
- b) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule – III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current / non-current classification of assets and liabilities.
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Deferred tax assets on unabsorbed carry forward losses are recognized only upon definite virtual certainty of future taxable income is available and not otherwise.

Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted and substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company re-assesses unrecognized deferred tax assets, if any.

**XIII. OPERATING LEASES**

**As a Lessee :** Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

**XIV. EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares.

**XV. CONTINGENT LIABILITIES AND PROVISIONS**

**Provision:-**

provision are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

**Contingent liabilities:-**

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

**XVI. Cash and Cash Equivalents:**

In the Cash flow statement, cash and cash equivalents include cash on hand, demand deposits with bank including short term margin money against bank guaranty issued.

**NOTES ON FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**Note 2    Share Capital**

<u>Particulars</u>	<b>As at 31 Mar 2017</b>	<b>As at 31 Mar 2016</b>
	<b>Rs.</b>	<b>Rs.</b>
<b><u>Authorized</u></b> 12,000,000 Equity Shares (P.Y. 120,00,000) of Rs.10 each	<b>120,000,000</b>	<b>120,000,000</b>
<b><u>Issued, Subscribed &amp; Paid up</u></b> 1,14,87,333 Equity Shares (P.Y. 1,14,87,333) of Rs.10 each	114,873,330	114,873,330
<b>Total</b>	<b>114,873,330</b>	<b>114,873,330</b>

- 2.1**    The Company has issued 33,00,000 fully paid bonus Equity shares to existing shares holder at the ration 6:1 on 24/06/2013.
- 2.2**    The Company has allotted 2669333 fully paid Equity shares to promoters at a premium of Rs. 5/- per share on 24/06/2013 pursuant to preferential allotment basis.
- 2.3**    The Company has allotted 4968000 fully paid Equity shares to public at a premium of Rs. 5/- per share on 27/01/2014, pursuant to Initial Public Offer (IPO).

**2.4    Share Reconciliation**

<u>Particulars</u>	<b>As at 31 Mar 2017</b>	<b>As at 31 Mar 2016</b>
Shares outstanding at the beginning of the year	11,487,333	11,487,333
Shares Issued during the Period	-	-
Shares bought back during the Period	-	-
Shares outstanding at the end of the year	11,487,333	11,487,333

**2.5    Terms/rights attached to shares**

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. the distribution will be in proportion to the number of equity shares held by the shareholders.

**2.6    Names of Share Holder (Holding more than 5% share)**

<b>Name of Shareholder</b>	<b>As at 31 March 2017</b>		<b>As at 31 March 2016</b>	
	<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
Mr. Ignatious C. David	1,298,500	11.30%	1,298,500	11.30%
Mr. Pradeep S. Badkur	1,260,763	10.98%	1,260,763	10.98%
Mrs. Namrata P. Badkur	1,454,166	12.66%	1,454,166	12.66%
Mr. Harsh P. Badkur	1,314,166	11.44%	1,314,166	11.44%
Puneet P. Badkur	1,016,668	8.85%	1,016,668	8.85%

**NOTES ON FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**Note 3 Reserves and Surplus**

<u>Particular</u>	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
<b><u>i) Security Premium</u></b>	-	-
Opening balance	31,761,421	31,761,421
Addition/Deduction during the year	-	-
Closing balance	<b>31,761,421</b>	<b>31,761,421</b>
<b><u>ii) Revaluation Reserve</u></b>	-	-
Opening balance	3,091,130	3,207,388
Less : Depreciation on Revalued Assets transfer to P& L Reserve (refer Note.12.3)	116,258	116,258
Closing balance	<b>2,974,873</b>	<b>3,091,130</b>
-	-	-
<b><u>iii) Deficit in Profit &amp; Loss A/c</u></b>		
Opening balance	(79,170,090)	(51,120,964)
(+) Transfer from revaluation reserve (refer Note.12.3)	116,258	116,258
	<b>(79,053,832)</b>	<b>(51,004,706)</b>
(+) Net Profit/(Net Loss) For the current year	1,157,660	(28,165,384)
Closing balance	<b>(77,896,172)</b>	<b>(79,170,090)</b>
<b>Total</b>	<b>(43,159,878)</b>	<b>(44,317,539)</b>

**Note 4 Long Term Borrowings**

<u>Particular</u>	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
-		
<b><u>Term loans (Secured )</u></b>	-	-
a. From banks	11,111,111	18,518,519
b. From financial institutions other than banks	87,011,687	86,395,725
<b>Total</b>	<b>98,122,798</b>	<b>104,914,244</b>

**Securities and Terms of Borrowings for secured Term Loans**

**4.1 Term Loan from IndusInd Bank is secured by way of :**

**(i) Primary Security**

First and exclusive charge on land & building, Plant & Machinery, all movable & immovable assets (both present & future), factory at Kondala Road, Survey Gut No. 37, Village Vadvali, Tah Wada, Dist Thane, Pin-421312 owned by the Company.



## **(ii) Common Collateral Security**

(a) hypothecation on movable fixed assets of the company both present & future except other assets exclusively financed by other banks.

(b) mortgage on office 105, Hiranandani Industrial estate, Opp Kanjur Marg station, Kanjurmarg W Mumbai 400078 owned by M/s. Badkur Blow Plast Containers Pvt. Ltd.

(c) Industrial Gala 12,13,14,16, and 42 at Nirmal Ashish Industrial estate, Plot of land bearingNos. 135 (pt0 & 166A/1(pl), Asangoan owned by the company.

(d) Industrial Gala 43, and 44 at Nirmal Ashish Industrial estate, Plot of land bearingNos. 135 (pt0 & 166A/1(pl), Asangoan owned by the Chemtech instrumentations services Pvt Ltd.

(e) Personnel Guarantee of Mr. Ignatious C. David, Mr.Jimmi Ignatious, Mr.Pradeep S. Badkur, Mr.Harsh Badkur and Mrs. Namrata Badkur Director/Promoters/Shareholders of the company.

Term Loan from IndusInd Bank amounting to 1,85,18,518/- (P.Y. 2,59,25,926/-) repayable in 81 monthly installments of Rs. 6,17,284/- per month commencing from 01/01/2013 last installment due in September 2019 i.e. 30 installments from the close of this financial period. The rate of interest is (bank base rate+2.75%) per annum floating as at the end of the year.

### **4.2 Term Loan from financial institutions other than banks**

- 4.2.1** Term Loan from Capital First Home Loan (273) is secured by way of hypothecation of Flat No. 1701, 17th floor, Iris Bldg, Sec R/12, Nahar Amrit Shakti Complex, Chandivali, Andheri (east) Mumbai 400072 owned by Harsh Badkur director of the Company.

Term Loan from Capital First Home Loan (273) amounting to Rs.43,12,564/- (P.Y. 45,34,318/-) originally repayable in 180 monthly installments now, revised to 162 installments (including interest) of Rs.61,997/- per month commencing from 05/04/2013 last installment due in September 2026 i.e. 114 installments from the close of this financial period. The rate of interest is 11.25% per annum floating as at the end of the year.

Term Loan from Capital First Home Loan (274) is secured by way of hypothecation of Flat No. 1701, 17th floor, Iris Bldg, Sec R/12, Nahar Amrit Shakti Complex, Chandivali, Andheri (east) Mumbai 400072 owned by Harsh Badkur director of the Company.

Term Loan from Capital First Home Loan (274) amounting to Rs. 79,24,965/- (P.Y. 83,15,509/-) repayable in 180 monthly installments now, revised to 171 installments (including interest) of Rs.1,06,306/- per month commencing from 05/03/2013 last installment due in May 2027 i.e. 122 installments from the close of this financial period. The rate of interest is 10.50% per annum floating as at the end of the year.

- 4.2.3** Term Loan from INDIABULLS HOUSING FINANCE LIMITED is secured by way of hypothecation of Flat No. 606, 6th floor, A WING, DHAIVAT, BAL RAJESHWAR, KALPA NAGAR, MULUND (WEST), Mumbai 400080 owned by Mr. IGNATIUS INASU director of the Company.

Term Loan from INDIABULLS HOUSING FINANCE LIMITED amounting to Rs. 93,26,259/- (P.Y. 94,73,578/-) repayable in 180 monthly installments now, revised to 234 installments (including interest) of Rs.1,23,994/- per month commencing from 05/08/2013 last installment due in Jan 2033 i.e. 190 installments from the close of this financial period. The rate of interest is 14.25% per annum floating as at the end of the year.

- 4.2.4** Term Loan from Capri Global Capital Ltd. (0085) (Formerly MONEY MATTER FINANCIAL SERVICES LTD) is secured by way of hypothecation of Office No. 503, 5th floor, Sunrise Business Park, Quantum IT Park, Plot No. B-68, Road No. 16, Wagle Industrial Estate, Thane (W) 400604 owned by Company.

Term Loan from Capri Global Capital Ltd. (Formerly MONEY MATTER FINANCIAL SERVICES LTD) amounting to Rs.1,81,04,630/- (P.Y. 1,93,33,265/-) repayable in 120 monthly installments now, revised to 132 installments (including interest) of Rs.3,31,736/-, Now Rs. 3,17,457/- per month commencing from 15/07/2013 last installment due in June 2024 i.e. 87 installments from the close of this financial period. The rate of interest is 12.50% per annum floating as at the end of the year.

**4.2.5** Term Loan from Capri Global Capital Ltd.(5147) is secured by way of hypothecation of Office No. 503, 5th floor, Sunrise Business Park, Quantum IT Park, Plot No. B-68, Road No. 16, Wagle Industrial Estate, Thane (W) 400604 owned by Company.

Term Loan from Capri Global Capital Ltd. amounting to Rs.49,64,224/- (P.Y. Nil) repayable in 132 monthly installments (including interest) of Rs. 69,878/- per month commencing from 10/02/2017 last installment due in January 2028 i.e. 130 installments from the close of this financial period. The rate of interest is 12.50% per annum floating as at the end of the year.

**4.2.6** Term Loan from India Infoline Housing Finance Ltd. is secured by way of hypothecation of Flat C-201/A and 201B 2nd Floor C-Wing Lake Castle Cliff Avenue Road Hiranadani Garden Lake Vihar Road Mumbai - 400076 owned by the directors Pradeep Badkur and Namarata Badkur.

Term Loan from India Infoline Housing Finance Ltd. amounting to Rs. 4,65,74,370/- (P.Y. 4,78,33,107/- ) repayable in 180 monthly installments (including interest) of Rs.3,31,736/- per month commencing from 05/01/2016 last installment due in Dec 2030 i.e. 165 installments from the close of this financial period. The rate of interest is 12% per annum floating as at the end of the year.

**Note 5      Deferred tax liabilities**

<u>Particulars</u>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
	<b>Rs.</b>	<b>Rs.</b>
Opening balance of deferred liabilities	8,024,908	6,754,632
On account of depreciation	2,795,829	1,439,535
On account of 43B items	(684,181)	(169,259)
<b>Total</b>	<b>10,136,556</b>	<b>8,024,908</b>

**Note 6      Long-term provisions**

<u>Particulars</u>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
	<b>Rs.</b>	<b>Rs.</b>
Deferred Sales Tax	753,793	1,265,743
<b>Total</b>	<b>753,793</b>	<b>1,265,743</b>

**6.1      Deferred Sales Tax**

The Company granted certificate of entitlement for availing sales tax incentive under package Part-I of the 1993 package scheme of incentive (PSI) of Govt. of Maharashtra by way of deferment of sales Tax liability pertaining to period from 01.09.1999 to 30.04.2006 upto the maximum ceiling of Rs.37,28,000/-. The liability deferred for the period of 10 years from the year of collection of sales tax. As per the term of payment the sales Tax liability of each Financial Year is payable in five equal installments. The amount payable after 12 months from this balance sheet dates of Rs. 7,53,793/-(P.Y. Rs. 12,65,743/-) is shown as non current liability and current portion Rs. /- (P. Y. Rs. 29,74,207/-) is disclosed in statutory liability in **Note No.10.**

**Note 7 Long-term Provisions**

<u>Particulars</u>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
	<b>Rs.</b>	<b>Rs.</b>
Provision for Gratuity	1,300,784	1,010,008
Less: Short term Provision (ref Note-11)	(293,479)	(59,753)
<b>Total</b>	<b>1,007,305</b>	<b>950,255</b>

**Note 8 Short Term Borrowings**

<u>Particulars</u>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
	<b>Rs.</b>	<b>Rs.</b>
-		
<b>Secured</b>	-	-
<b>Working Capital Loan</b>		
-IndusInd Bank	47,816,501	48,622,007
<b>Total</b>	<b>47,816,501</b>	<b>48,622,007</b>

**8.1** Cash Credit from IndusInd Bank is secured primarily by way of Hypothecation of the entire current assets of the company comprising of , inter alia of stock of raw material, Work in progress, Finish goods, receivable, book debts and other current assets and with the collateral security as referred in **Note 4.1** above.

**Note 9 Trade Payables**

<u>Particulars</u>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
	<b>Rs.</b>	<b>Rs.</b>
-		
i) Trade Creditors for goods	82,421,813	235,622,323
ii) Trade Creditors for Expenses	3,402,810	5,163,554
<b>Total</b>	<b>85,824,623</b>	<b>240,785,877</b>

**9.1** The company is in the process of compilation of identifying suppliers regarding their status under the Micro Small and Medium Enterprises Development Act 2006 and hence disclosures regarding:

- 1) Amount due and outstanding to suppliers as at the end of accounting year.
- 2) Interest paid during the year.
- 3) Interest payable at the end of the accounting year.
- 4) Interest accrued and unpaid at the end of the accounting year have not been given.

**Note 10 Other current liabilities**

<u>Particulars</u>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
	<b>Rs.</b>	<b>Rs.</b>
-		
i) Current maturities of long term debts-Secured	11,602,732	10,501,458
ii) Interest accrued but not due on borrowings	692,038	719,964
iii) Creditors for Capital goods	-	5,303
iv) Advance received against order	4,271,185	1,258,231
v) Statutory Liabilities	5,823,969	4,001,758
vi) Other Payables	2,291,424	1,965,800
<b>Total</b>	<b>24,681,348</b>	<b>18,452,514</b>

10.1 Other payables includes payables for various expenses

Note 11 Short Term Provisions

<u>Particulars</u>	As at 31 March 2017	As at 31 March 2016
-	Rs.	Rs.
Provision for Gratuity (ref. Note-7)	293,479	59,753
Total	293,479	59,753

Note 13 Non-Current Investments

<u>Particulars</u>	As at 31 March 2017	As at 31 March 2016
<u>(Non Trade)</u>	Rs.	Rs.
Investment in Equity shares-unquoted (At Cost)		
i) Bharat Co-op bank ltd	252	252
(25 Equity Shares Rs.10 each fully paid )		
ii) C.K.P. Co-op bank ltd	537,500	537,500
(21500 Eq. Shares of Rs 25/- each fully paid)		
Total	537,752	537,752

Note 14 Long Term Loans & Advances

<u>Particulars</u>	As at 31 March 2017	As at 31 March 2016
-	Rs.	Rs.
Security Deposits (unsecured considered good)	362,560	348,460
Total	362,560	348,460

Note 15 Other Non-Current Assets

<u>Particulars</u>	As at 31 March 2017	As at 31 March 2016
-	Rs.	Rs.
i) Margin money with Bank (ref. note-18)	1,754,757	-
(Against Bank guarantee with maturity more than 12 months)		
ii) Retention Money with clients	46,066	342,115
(unsecured considered good)		
Total	1,800,823	342,115

Note 16 Inventories

<u>Particulars</u>	As at 31 March 2017	As at 31 March 2016
-	Rs.	Rs.
i) Raw materials	7,023,839	8,326,103
ii) Stock-in-process	16,009,442	21,018,347
iii) Finished goods	-	-
Total	23,033,281	29,344,449

## NOTES ON FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### Note : 12 STATEMENT OF FIXED ASSETS

#### Current Year

Assets	GROSS BLOCK				ACCUMULATED DEPRECIATION					NET BLOCK
	As on 01.04.2016	Additions	Deductions/ Adjustment	As on 31.03.2017	As on 01.04.2016	For the year	Deductions/ Adjustment	Transitional Depreciation	As on 31.03.2017	As on 31.03.2017
Land	16,924,170	-	-	16,924,170	-	-	-	-	-	16,924,170
Building	83,580,213	-	-	83,580,213	9,567,852	2,386,938	-	-	11,954,790	71,625,423
Machinery	80,277,034	355,300	-	80,277,034	19,783,825	5,197,482	-	-	24,981,307	55,295,727
Pattern	5,916,287		-	6,271,587	4,774,434	376,946	-	-	5,151,380	1,120,207
Office equipment	4,966,817		-	4,966,817	3,008,143	946,127	-	-	3,954,269	1,012,548
Electric Intallation	4,192,768	-	-	4,192,768	1,117,348	467,617	-	-	1,584,965	2,607,803
Motor	4,210,811	-	-	4,210,811	2,974,399	452,587	-	-	3,426,987	783,824
Computer	1,786,553	-	-	1,786,553	1,601,355	73,717	-	-	1,675,071	111,482
Furniture	15,643,669	-	-	15,643,669	4,832,683	1,628,542	-	-	6,461,225	9,182,444
<b>Total FA</b>	<b>217,498,322</b>	<b>355,300</b>	<b>-</b>	<b>217,853,622</b>	<b>47,660,038</b>	<b>11,529,956</b>	<b>-</b>	<b>-</b>	<b>59,189,995</b>	<b>158,663,627</b>
<b>Intangible Assets</b>										
Computer Software	996,365	<b>23,750</b>		1,020,115	398,546	129,465		-	528,011	492,104
<b>G Total</b>	<b>218,494,687</b>	<b>379,050</b>	<b>-</b>	<b>218,873,737</b>	<b>48,058,584</b>	<b>11,659,421</b>	<b>-</b>	<b>-</b>	<b>59,718,005</b>	<b>159,155,732</b>

**Previous Year**

Assets	GROSS BLOCK				ACCUMULATED DEPRECIATION					NET BLOCK
	As on 01.04.2015	Additions	Deductions/ Adjustment	As on 31.03.2016	As on 01.04.2015	For the year	Deductions/ Adjustment	Transitional Depreciation	As on 31.03.2016	As on 31.03.2016
Land	16,924,170	-	-	16,924,170	-	-	-	-	-	16,924,170
Building	83,580,213	-	-	83,580,213	7,180,600	2,387,251	-	-	9,567,852	74,012,362
Machinery	80,252,273	24,761	-	80,277,034	14,585,599	5,198,226	-	-	19,783,825	60,493,209
Pattern	5,407,597	508,690	-	5,916,287	4,312,399	462,035	-	-	4,774,434	1,141,853
Office equipment	4,919,198	47,619	-	4,966,817	1,977,880	1,030,263	-	-	3,008,143	1,958,674
Electric Intallation	4,192,768	-	-	4,192,768	649,730	467,617	-	-	1,117,348	3,075,420
Motor	4,210,811	-	-	4,210,811	2,281,387	693,013	-	-	2,974,399	1,236,412
Computer	1,786,553	-	-	1,786,553	1,404,419	196,936	-	-	1,601,355	185,198
Furniture	15,643,669	-	-	15,643,669	3,204,140	1,628,542	-	-	4,832,683	10,810,986
<b>Total FA</b>	<b>216,917,252</b>	<b>581,070</b>	-	<b>217,498,322</b>	<b>35,596,156</b>	<b>12,063,882</b>	-	-	<b>47,660,038</b>	<b>169,838,285</b>
<b>Intangible Assets</b>										
Computer Software	996,365	-		996,365	<b>199,273</b>	199,273		-	398,546	597,819
<b>G Total</b>	<b>217,913,617</b>	<b>581,070</b>	-	<b>218,494,687</b>	<b>35,795,429</b>	<b>12,263,155</b>	-	-	<b>48,058,584</b>	<b>170,436,104</b>

**Notes**

**12.1**

Vehicles owned by the Company includes registered in the name of the Directors.

**12.2.**

The Factory Gala No. 12,13,14,16 and 42 at Asangaon has been revalued at fair market value as on 01.04.2011 amounting to Rs.60,07,500/- as per the valuation report of an independent govt. approved valuers. Correspondingly revaluation reserve is created to the extent of Rs. 36,93,762/- and Net block of assets has been increased to that extent.

**12.3**

The additional depreciation on above stated revaluation of assets amounting to Rs.116,258/- is withdrawn from revaluation reserve and adjusted to the surplus profit and loss balance in the reserves.

**Note 17    Trade Receivables**

<u>Particulars</u>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
-	<b>Rs.</b>	<b>Rs.</b>
(Unsecured considered good)		
i) Outstanding for a period less than six months	85,939,266	250,895,788
ii) Outstanding for a period exceeding six months	38,618,962	18,724,128
<b>Total</b>	<b>124,558,228</b>	<b>269,619,916</b>

**Note 18    Cash and Bank Balances**

<u>Particulars</u>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
-	<b>Rs.</b>	<b>Rs.</b>
<b>a) Cash and cash equivalents</b>		
i) Balances with banks'-In Current Accounts	12,904,326	16,169,483
ii) Cash on hand	772,148	652,155
iii) Fixed Deposits with Bank as margin money for Bank Guarantee	1,213,175	3,288,707
iv) Fixed Deposits with Bank (others)	9,638,584	117,835
<b>b) Other Bank Balances</b>		
Fixed Deposits with Bank as margin money for Bank Guarantee due after 12 months	1,754,757	-
Less: Amount disclosed under the head " other non-current Assets" <b>(Note -15)</b>	(1,754,757)	-
<b>Total</b>	<b>24,528,232</b>	<b>20,228,180</b>

**Note 19    Short-term loans and advances**

<u>Particulars</u>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
-	<b>Rs.</b>	<b>Rs.</b>
(Unsecured considered good)		
i) Advances to Staff	43,948	87,930
ii) Advances others	780,087	200,419
<b>Total</b>	<b>824,035</b>	<b>288,349</b>

**Note 20    Other current assets**

<u>Particulars</u>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
	<b>Rs.</b>	<b>Rs.</b>
i) Security Deposits	199,713	199,713
ii) Prepaid Insurance	155,717	188,415
iii) Advance Taxes and Refund claims	5,193,782	2,097,639
<b>Total</b>	<b>5,549,212</b>	<b>2,485,767</b>

**NOTES ON FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**Note: 21      Revenue From Operations**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs.	Rs.
i) Sale of products	438,438,153	390,682,948
Less: Excise Duty	(11,571,807)	(8,640,363)
	<b>426,866,346</b>	<b>382,042,585</b>
ii) Sale of Services (net of service tax)	3,529,617	8,495,392
ii) Other Operating Revenue	38,577,021	84,161
<b>Total</b>	<b>468,972,984</b>	<b>390,622,138</b>

**Note:22      Other Income**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs.	Rs.
Interest received	469,563	938,798
Discount Received	3,957	36,077
Dividend Income	38	38
Duty Drawback	29,158	1,406
Sundry Balance Written back	556,554	158,554
Liquidation Damages Received	1,280,928	173,559
<b>Total</b>	<b>2,340,198</b>	<b>1,308,432</b>

**Note:23      Cost of Materials Consumed**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>Raw Material Consumed</b>	Rs.	Rs.
Opening Stock raw material	8,326,103	11,248,362
Add : Purchase	66,810,810	39,222,894
Less: Excise Duty paid on purchase	(4,625,195)	(2,297,236)
Add : Packing Material Consumed	769,526	570,991
	<b>71,281,243</b>	<b>48,745,012</b>
Less : Rejection of Material	165,755	190,770
Less : Closing of Raw material	7,023,839	8,326,103
<b>Total</b>	<b>64,091,649</b>	<b>40,228,139</b>



**Note:24      Change in Inventories of FG & WIP**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs.	Rs.
Opening Work in progress	21,018,347	18,634,462
Less: Closing Work in Progress	16,009,442	21,018,347
	5,008,905	(2,383,885)

**Note:25      Employee Cost and Benefits**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs.	Rs.
Directors Remuneration	1,560,000	1,505,681
Staff Salaries, Bonus, Retrenchment & Leave salary	13,471,930	9,186,057
Wages to Workers	-	1,607,314
Employers Contribution to PF	168,544	127,271
Admin Charges to PF	10,729	15,937
Gratuity-see note 25.1	290,776	594,650
Staff Welfare	1,330,046	514,267
Total	16,832,025	13,551,177

**25.1** Provision for gratuity has been made as per actuarial valuation by approved valuer and relied upon by the statutory auditors.

**i)      Following are the Principal Actuarial Assumptions used as at the balance sheet date:**

Policy No.	As on 31.03.2017	As on 31.03.2016
Valuation Method	Projected Unit Credit Method	- Projected Unit Credit Method
Mortality Rate	IALM-Mortality-Tables(2006-08) Ultimate	IALM-Mortality-Tables(2006-08) Ultimate
Withdrawal Rate	1 % per annum for all ages	1 % per annum for all ages
Discount Rate	7.52% p.a.	7.96% p.a.
Salary Escalation	6.00% p.a.	6.00% p.a.

**Reconciliation of Opening & Closing balance of Present Value of Defined benefit Obligation( DBO):-**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Present Value of Benefit Obligation at the Beginning of the Period	1,010,008	415,358
Interest Cost	80,397	33,353
Current Service Cost	215,575	100,197

(Benefit Paid Directly by the Employer)		
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	53,877	6,598
Actuarial (Gains)/Losses on Obligations - Due to Experience	(59,073)	454,502
Present Value of Benefit Obligation at the End of the Period	<b>1,300,784</b>	<b>1,010,008</b>

iii) The company has not invested in Plan Assets:-

iv) Balance Sheet Recognition

Opening Net Liability	1,010,008	415,358
Expense Recognized in Statement of Profit or Loss (Benefit Paid Directly by the Employer)	290,776	594,650
Net Liability/(Asset) Recognized in the Balance Sheet	<b>1,300,784</b>	<b>1,010,008</b>

v) Profit and Loss – Expenses Recognition

Current Service Cost		
	215,575	100,197
Net Interest Cost		
	80,397	33,353
Actuarial (Gains)/Losses		
	(5,196)	461,100
(Gains)/Losses on Curtailments And Settlements		-
Expenses Recognized in the Statement of Profit or Loss	<b>290,776</b>	<b>594,650</b>

vi) Amount recognized in current year and previous four years for Gratuity

(Present Value of Benefit Obligation at the end of the Period)	(1,300,784)	(1,010,008)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status-Deficit		
	(1,300,784)	(1,010,008)
Unrecognized Past Service Cost at the end of the Period	-	-
Net Liability Recognized in the Balance Sheet	(1,300,784)	(1,010,008)

Note:26 Finance Cost

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs.	Rs.
Interest Expenses	18,742,375	19,032,530
Interest on Govt. Dues	199,655	183,055
Other Borrowing cost*	862,315	2,163,587
<b>Total</b>	<b>19,804,345</b>	<b>21,379,172</b>

26.1 Other borrowing cost includes bank charges, loan processing charges and Loan foreclosure charges.

**Note:27      Other Expenses**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs.	Rs.
Auditor's Remuneration (net of Tax) - See Note No. 33	373,750	322,500
Job Works	8,147,626	6,130,320
Rates & Taxes	4,256,459	2,780,322
Liquidated Damaged paid	1,215,584	724,992
Power & Fuel Expenses	3,101,979	2,790,367
Professional Fees	502,664	3,119,539
Selling Expenses	2,926,409	2,758,575
Insurance Paid.	261,537	226,102
Rent Paid	3,000	112,000
Repair & Maintenance building	115,692	31,680
Repair & Maintenance others	442,617	551,046
Transport Expenses	3,578,123	5,250,093
Foreign Currency Fluctuation	369,914	26,524
Other Miscellaneous Expenses	4,653,571	3,946,266
<b>Total</b>	<b>29,948,924</b>	<b>28,770,326</b>

<b>27.1      Prior period Expenses-Include in above</b>		
Interest on Secured term Loan	-	532,539
Gram Panchayat Tax	120,624	-
Professional fees	-	72,000
<b>Total</b>	<b>120,624</b>	<b>604,539</b>

**Note: 28      Earning Per Share**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs.	Rs.
Profit After Tax	1,157,660	(28,165,384)
Weighted Average No. of Equity Shares*	11,487,333	11,487,333
<b>EPS (basic &amp; Diluted)</b>	<b>0.10</b>	<b>(2.45)</b>

**Note:29      Contingent Liability**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs.	Rs.
i) Counter guarantee given by Banks	13,341,126	4,450,941
ii) Central Sales Tax Dues (disputed in appeal)	4,530,181	5,639,626
iv) Income tax demand outstanding-pending		

rectification	34,350	3,989,780
<b>Total</b>	<b>17,905,657</b>	<b>14,080,347</b>

**29.1** With respect to the Central Sales Tax Due of Rs.45,30,181/- the company has file an appeal and based on expert legal advise and merits of the case the Company is hopeful that the outcome would in its favor. And accordingly no provision is required to be made in the accounts. However, it is not practicable to estimate the timing of cash outflow if any, in respect of the above pending the resolution of the proceedings.

**Note:30      Other commitments:**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs.	Rs.
<b>Estimated contracts remaining to be executed</b>		
ERP software	-	262,000
<b>Total</b>	-	<b>262,000</b>

**Note:31      Audit Remuneration**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs.	Rs.
For statutory Audit	125,000	125,000
For Tax Audit	25,000	25,000
For other matters	223,750	172,500
<b>Total</b>	<b>373,750</b>	<b>322,500</b>

**NOTES ON FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**Note: 32 Information pursuant to Accounting standard 17:**

**a. Primary Segment**

During the year the Company has broadly identified two segment namely “Manufacturing of industrial valves” and “Trading of Steel coil/Wire Rod”.

<b>PARTICULARS</b>	<b>Year Ended 31.03.2017</b>				<b>Year Ended 31.03.2016</b>			
<b>Segment Revenue</b>	<b>Manufacturing</b>	<b>Trading</b>	<b>Others unallocable</b>	<b>Total</b>	<b>Manufacturing</b>	<b>Trading</b>	<b>Others unallocable</b>	<b>Total</b>
Sales to Customers	102,285,908	328,253,208	38,433,868	468,972,984	83,437,549	307,184,589	-	390,622,138
Other Income	1,980,635		359,563	2,340,198	371,330		937,102	1,308,432
<b>Total Revenue</b>	<b>104,266,543</b>	<b>328,253,208</b>	<b>38,793,431</b>	<b>471,313,182</b>	<b>83,808,879</b>	<b>307,184,589</b>	<b>937,102</b>	<b>391,930,570</b>
<b><u>Less:</u></b>								
Allocated Expenditure	93,760,620	320,666,774	22,120,883	436,548,277	60,813,521	308,103,598	16,266,231	385,183,351
Depreciation	8,632,165	-	3,027,256	11,659,421	8,911,338	-	3,351,818	12,263,155
Interest	19,804,345	-	-	19,804,345	21,379,172	-	-	21,379,172
<b>Segment Profit</b>	<b>(17,930,587)</b>	<b>7,586,434</b>	<b>13,645,292</b>	<b>3,301,138</b>	<b>(7,295,151)</b>	<b>(919,009)</b>	<b>(18,680,947)</b>	<b>(26,895,108)</b>
<b><u>Other Information</u></b>								
<b>Segment Assets</b>	223,592,805	56,028,576	60,728,475	340,349,855	244,029,526	214,829,562	34,772,004	493,631,092
<b>Segment Liabilities</b>	197,289,416	60,916,952	10,430,035	268,636,403	202,011,094	212,974,243	8,089,964	423,075,301

<b>Capital Employed</b>	26,303,388	(4,888,376)	50,298,440	71,713,452	42,018,432	1,855,319	26,682,040	70,555,791
				0				0

**b. Secondary Segment**

- i) There are no trading sales outside India and therefore there is no secondary segment with respect of geographical segment.
- ii) Besides the Company has exported manufacture goods of Rs. 54,65,873/- (P.Y. Rs. 3,02,351) which is significantly low vis-a-vis the total enterprise revenue. Therefore there is no reportable secondary segment in respect of geographical segment.

**NOTES ON FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**Note: 33    Related party Transaction as per Accounting Standard 18**

**a. Related party are given below**

Sr.No.	Enterprise on which major Shareholders Exercises Significant Influence	Key Management Personnel	Relative to Key Management Personnel
1	Badkur Blow Plast Containers Pvt. Ltd.	Pradeep Badkur	Puneet Badkur
2	---	C.D. Ignatious	Orville Ignatious
3	---	Harsh Badkur	Jimmy Ignatious
4	---	Namrata Badkur	Jenny Ignatious
5	---	---	Trisha Badkur

**b. Details of transaction are given below**

Sr.No.	Nature of Transactions	For the year ended 31 March 2017	For the year ended 31 March 2016
1	<b><u>Loan Transaction</u></b> <b>(a) Taken During the year</b> Key Management Personnel Enterprises over which Significant Influence	- 534,628 1,026,786	 3,632,410 -
		<b>1,561,414</b>	<b>3,632,410</b>
	<b>(b) Closing Balances loan taken</b> Key Management Personnel Enterprises over which Significant Influence	 - -	 - -
		-	-
2	<b><u>Director remuneration</u></b> Key Management Personnel	- 1,560,000	 1,408,335
		<b>1,560,000</b>	<b>1,408,335</b>
3	<b><u>Salary</u></b> Relative of Key Management Personnel	- 2,309,159	 1,650,060
		<b>2,309,159</b>	<b>1,650,060</b>
4	<b><u>Reimbursement of Credit card</u></b> Key Management Personnel Relative of Key Management Personnel	- 972,380 849,343	 669,339 484,165
		<b>1,821,723</b>	<b>1,153,504</b>

**Note: 34    Information pursuant to provision of Schedule III of Companies Act 2013**

**A)            Opening and Closing inventory (including WIP):**

Sr.No	Products	Closing stock Rupees	Closing stock Rupees
i)	Casting	2,981,735	3,754,122
ii)	Plates & Rods	1,663,690	1,642,136
iii)	Welding rod & Stud nuts	375,545	475,909
iv)	WIP of Unfinished Assembled valve	16,009,442	21,018,347
v)	Others		

		2,002,868	2,453,936
	<b>Total</b>	<b>23,033,281</b>	<b>29,344,449</b>

**B) The information about principal items of Raw Materials Consumed is as follows:**

<b>Sr.No.</b>	<b>Products</b>	<b>Current Period</b> Rupees	<b>Current Period</b> Rupees
i)	Casting	3,568,971	6,878,580
ii)	Plates &Rods	7,715,336	5,899,560
iii)	Welding rod & Stud nuts	556,338	669,205
iv)	Unfinished valve	50,402,109	26,587,919
v)	Packing Materials	769,526	570,991
vi)	Others	5,704,565	1,919,120
	Less: Excise Duty paid on purchase	(4,625,195)	(2,297,236)
	<b>Total</b>	<b>64,091,649</b>	<b>40,228,140</b>

**C) The above materials are indigenous and imports are Nil (P.Y. Nil)**

**D) Details of Manufactured Goods:**

<b>Sr.No.</b>	<b>Products</b>	<b>Current Period</b> Rupees	<b>Current Period</b> Rupees
1	<b>Assembled valves</b>		
	Opening Stock	-	-
	Sales	122,583,186	89,458,762
	Closing Stock	-	-

**E) Details of Traded Goods (net of tax):**

<b>Sr.No.</b>	<b>Products</b>	<b>Current Period</b> Rupees	<b>Current Period</b> Rupees
1	<b>Steel Coil/Wire Rod /Plates</b>		
	Opening Stock		-
	Purchase	299,842,595	289,668,017
	Sales	304,283,160	291,267,225
	Closing Stock		-
2	<b>Other various products</b>		
	Opening Stock		-
	Purchase	4,806,473	796,388
	Sales	8,481,507	1,316,598
	Closing Stock		-

<b>Sr.No.</b>	<b>Particulars</b>	<b>Current Period</b> Rupees	<b>Current Period</b> Rupees
<b>F)</b>	<b>CIF value of Import Purchase Traded</b>	1,154,306	-



<b>G)</b>	<b>Expenditure in Foreign Currency</b>		
	Expenses Incurred	1,355,371	-
<b>H)</b>	<b>Earning in Foreign currency in FOB basis</b>		
	Export Sales	5,465,873	302,351

**Note: 35    Disclosure on specified Bank Notes**

During the year, the Company has specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E) dated March 31, 2017. The details of SBNs held and transacted during the period from November /, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per notification are as follow:

Particulars	SBNs *	Other Depnomination Notes	Total
Closing cash in hand as on November 8, 2016	440,000	77,551	517,551
Add: Permitted receipts	-	556,610	556,610
Less: Permitted Payments	-	(561,910)	(561,910)
Less Amounts Deposited in Banks	(440,000)		(440,000)
Closing Cash in hand as on December 30, 2016	-	72,251	72,251

\* For the purpose of this clause, the term “specified Bank Notes” shall have the same meaning provided in the notification of the government of India, in the Ministry of Finance, Department of Economic Affairs Number S. O. 3407 (E), dated November 8, 2016.

- Note:36**

i) The balance confirmation in respect of debtors, creditors, advances, loans and deposits as at 31st March 2017 have been called for and the same are subject to confirmation and reconciliation if any. However, the management has scrutinized the accounts and the balances appearing in the balance sheet are correct.

ii) In the opinion of management, no item of current assets, loans and advances has a value on realization in the ordinary course of business, which is less than the amount of value at which it is stated in the balance sheet, unless otherwise specified.

**Note:37**        Figures of previous year are regrouped and reclassified as and when necessary.

**As per our report of even date**

**FOR S.P.JAIN & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**FRN: 103969W**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Kapil K. Jain**

**PARTNER**

**(M. No. 108521)**

Pradeep S. Badkur

**DIRECTOR**

DIN: 00036822

C. D. Ignatious

**DIRECTOR**

DIN: 01750827

Roma Bhagtani

**COMPANY SECRETARY**

PLACE : MUMBAI  
DATE : 30/05/2017

**CHEMTECH INDUSTRIAL VALVES LIMITED**

Regd. Office: 105, Hiranandani Indl. Estate, Opp. Kanjur Marg Rly Station, Mumbai 400078

**PROXY FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a Member/Members of the above named Company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ or falling him \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our Proxy to attend and vote for me/us on my/ our behalf at the 21<sup>st</sup> Annual General Meeting of the Company, to be held on Friday, 29<sup>th</sup> September, 2017 at 11.00 A.M at 105, Hiranandani Industrial Estate, Opp. Kanjur Marg Railway Station, Mumbai – 400 078 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature

Affix One Rupee  
Revenue Stamp

Folio No./Client id/DP id:

No. of Shares

**NOTES:**

- 1. The Proxy must be returned so as to reach the Registered Office of the Company, not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting.
- 2. A Proxy need not be a member of the Company.

\_\_\_\_\_ TEAR HERE \_\_\_\_\_

**CHEMTECH INDUSTRIAL VALVES LIMITED**

Regd. Office: 105, Hiranandani Indl. Estate, Opp. KanjurMarg Rly Station, Mumbai 400078

**ATTENDANCE SLIP**

(Name & Address of Member/Proxy)

<b>Folio No./Client id/DP id:</b>
-----------------------------------

<b>Number of Shares:</b>
--------------------------

I hereby record my presence at the 21<sup>st</sup> Annual General Meeting of the Company held on Friday 29<sup>th</sup> September, 2017 at 11.00 a.m. at 105, Hiranandani Industrial Estate, Opp. Kanjur Marg Railway Station, Mumbai – 400 078.

<b>Signature of the attending Member /Proxy</b>	
-----------------------------------------------------	--

**NOTES:**

- 1. A Shareholder/ Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
- 2. A Shareholder/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

Date: