



CHEMIESYNTH (VAPI) LIMITED

**ANNUAL REPORT
2013 - 14**

Board of Directors

Mr. SATISH BHOGILAL ZAVERI
MR. SANDIP SATISHBHAI ZAVERI
Mr. BHANURAI NAGINDAS MEHTA

Auditors

M/S. Manoj Shah & Co.
Chartered Accountants

Registered Office

Plot No 27 GIDC
Vapi Dist. Bulsar
Gujarat- 396195

Registrar & Share Transfer Agents

M/s. Purva Sharegistry (I) Pvt. Ltd

Address: Unit No. 9, Shiv Shakti Ind. Estate
J.R. Boricha Marg, Opp. Kasturba Hospital Lane
Lower Parel (East), Mumbai – 400 011
Tel: 022-23016761/8261
Fax: 022-23012517
Email ID: busicomp@vsnl.com
Website: www.purvashare.com

Annual General Meeting

Day	-	Tuesday
Date	-	30 th September, 2014
Venue	-	Plot No 27 GIDC, Vapi Dist. Bulsar, Gujarat –396195
Time	-	11.30 a.m.

CHEMIESYNTH (VAPI) LIMITED

Regd. office: Plot No 27 GIDC, Vapi Dist. Bulsar, Gujarat- 396195

NOTICE is hereby given that the 28th Annual General Meeting of the Members of the Company will be held at its Registered Office at : Plot No 27 GIDC, Vapi Dist. Bulsar, Gujarat- 396195, on Tuesday, the 30th September, 2014 at 11.30 a.m. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March 2014 and the Balance Sheet as at that date together with the Report of the Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Sandip Zaveri, who retires by rotation and is eligible for re-election;
3. To appoint Auditors of the Company and to fix their remuneration.

Registered Office :
Plot No 27 GIDC
Vapi Dist. Bulsar, Gujarat- 396195

By order of the Board
For CHEMIESYNTH (VAPI) LIMITED

Sd/-

Dated: 6th September, 2014
Place: Vapi

Sandip Zaveri
Director

Notes:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself. Such proxy need not be a Member of the Company.
2. The instrument of proxy in order to be effective must be deposited at the Company's registered office not less than 48 hours before the meeting.
3. The Register of Members of the Company will remain closed from 25th September, 2014 to 30th September, 2014 (both days inclusive).

CHEMIESYNTH (VAPI) LIMITED

DIRECTORS' REPORT

To,
The Members of,
Chemiesynth (Vapi) Limited
Vapi - Gujarat.

Your Directors' have pleasure in presenting herewith the Annual Report together with the accounts for the period ended 31st March 2014.

FINANCIAL RESULTS :

During the year under review, the financial results on the operations of the Company are as under:
(Amount in Rupees)

	31/03/2014	31/03/2013
Gross Income	97,651,716	53,446,762
Profit /(Loss) before Depreciation	(1,320,723)	(13,589,073)
Less : Depreciation	2,465,808	6,305,785
Profit (Loss) before Tax	1,145,085	(19,894,858)
Less Provision for Tax : Current Tax	-----	-----
: Deferred Tax	-----	3,938,481
Profit (Loss) for the year	1,145,085	(15,956,377)

DIVIDEND:

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

DEPOSITS :

The Company has not accepted any public deposits.

ENVIRONMENT AND ENERGY CONSERVATION:

The company accords high priority to control environment and conservation of energy, which is an on going process. The Company has planted a number of trees to control and maintain environment surrounding of the factory. As required by the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 the relevant data pertaining to conservation of energy and technology absorption are given in the prescribed Form A in Annexure to this report. Various measures taken by the company on these matters includes:

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

- b) Maintaining old machinery in good condition, retrofitting or replacing with energy efficient ones.
- c) Minimising idle running of machinery.

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

SAFETY AND HEALTH

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

PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956

The Company did not have any employee during the year covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975

TECHNOLOGY ABSORPTION:

Efforts made in technology absorption are given in Form B in the Annexure to this report.

DIRECTORS :-

Pursuant to the provisions of Section 255/256 of the Companies Act, 1956 read with Article No.115 of Articles of Association, Mr. Sandip Zaveri, Director of the Company retires at the ensuing annual general meeting and being eligible offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:-

It is hereby stated that:

- a) In the preparation of annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) The directors selected the accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors had prepared the annual accounts on going concern basis.

AUDITORS:

M/s Manoj Shah & Co, Chartered Accountants, statutory auditors retire at the ensuing Annual General Meeting and are eligible for re-appointment.

As regards, auditor's observation about accounting of retirement benefit on cash basis, the company is in the process of accounting of liability on the basis of actuarial valuation.

APPRECIATION:

Directors would like to place on record their appreciation of the co-operation and assistance extended by the company's bankers. Thanks are also due to the company's employees, staff and executives of the Company for their co-operation and contribution. In concluding this report, the Board acknowledges their deep sense of gratitude to the shareholders for the confidence they have reposed in the Directors.

**For and On behalf of the Board of Directors
CHEMIESYNTH (VAPI) LIMITED**

**Sd/-
Satish Zaveri
Director**

**sd/-
Sandip Zaveri
Director**

**Place: Vapi
Date : 06/09/2014**

ANNEXURE TO DIRECTORS' REPORT

FORM - A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

**POWER & FUEL CONSUMPTION
ELECTRICITY**

	2013-2014	2012-2013
Units Consumed (kwh)	1028624	796416
Total Amount (Rs in lakhs)	70.36	53.28
Rate per unit (Rs/kwh)	6.84	6.69
Own Generation		

FURNACE OIL

Consumed (Ltrs.)	----	1200
Total Amount (Rs in lakhs)	----	00.33
Rate per unit (Rs/Ltr)	---	---
L D O (Purchase -- Rs. in lakhs)	---	---
Diesel Cash Purchase	1.50	1.50
Lighting	----	00.29

BRICKETS

Consumed (kgs.)	911165	1409620
Total Amount (Rs in lakhs)	50.43	72.54
Rate per unit (Rs/kg)	5.53	5.15

OTHER INTERNAL GENERATION

**CONSUMPTION PER UNIT OF
PRODUCTION**

Total Production (kg.)
Electricity (kwh/kg.)
Coal (kg.)
LDO (Ltrs./kg)

From the record and other books maintained by the company, in accordance with the provisions of the Companies Act, 1956, the Company is not in a position to provide the information required as per this format.

**For and On behalf of the Board of Directors
CHEMIESYNTH (VAPI) LIMITED**

Sd/-
Satish Zaveri
Director

sd/-
Sandip Zaveri
Director

Place: Vapi
Date : 06/09/2014

FORM – B

**DISCLOSURE WITH REGARDS TO RESEARCH & DEVELOPMENT
TECHNOLOGY ABSORPTION, ADAPTATION, INNOVATION**

A. RESEARCH & DEVELOPMENT (R & D)

Specific areas in which R & D carried out by the Company:

Development of new products.

Improvement of systems in the existing products/process in manufacture cycle.

Testing and Certification of existing products to new Indian and International standards.

Benefits derived as a result of the above R & D.

Indigenisation / Import substitution

Cost reduction.

Competitive pricing

Enhancement in quality.

Meeting unique needs of customers.

Future Plan of Action:

To further improve cost effectiveness of products and meet the requirements of various customers.

Expenditure on R & D:

Capital No specific expenditure

Recurring

Total

Total R & D expenditure

as a percentage of total turnover

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

- | | | |
|------|--|-----|
| I. | Efforts in brief made towards technology absorption, adaptation and innovation | NIL |
| II. | Benefits derived as a result of the above efforts | NIL |
| III. | In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), following information may be furnished | NIL |
| a) | Technology Imported | |
| b) | Year of import | |
| c) | Has technology been fully absorbed | |
| d) | If not fully absorbed, areas where this has not taken plan, reason therefore and future plan of action. | |

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- | | | |
|----|--------------------------|-----------------|
| 1. | Foreign Exchange Earning | Rs 7,312,391/- |
| 2. | Foreign Exchange Outgo | Rs. 4,043,616/- |

**For and On behalf of the Board of Directors
CHEMIESYNTH (VAPI) LIMITED**

Sd/-
Satish Zaveri
Director

sd/-
Sandip Zaveri
Director

Place: Vapi
Date : 06/09/2014

Details of Directors seeking appointment / re-appointment :

The information required under Clause 49(IV)(G) of the Listing Agreement (relating to Corporate Governance) with respect to the Director being appointed and Directors retiring by rotation and being eligible seeking re-appointment is as under:

	Mr. Sandip Zaveri
Profile of the Director	Mr. Sandip Zaveri holds BE degree from Bombay University He has more than 15 Years Experience in chemicals industry
Date of joining the Board	June 30, 2001
Other Directorships held	CS Bio - Sciences Private Limited CS Specialty Chemicals Private Limited Chemiefab Vapi Private Limited CS Performance Chemicals Private Limited
Other Committee memberships held (Excluding CHEMIESYNTH (VAPI) LIMITED)	NIL
No. of shares held in their own name	3,60,500

Registered Office :
Plot No 27 GIDC
Vapi Dist. Bulsar, Gujarat- 396195

By order of the Board
For CHEMIESYNTH (VAPI) LIMITED

Sd/-

Dated: 6th September, 2014
Place: Vapi

Sandip Zaveri
Director

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is aimed at assisting the management in the efficient conduct of its business in a fair and transparent manner.

It envisages attainment of higher levels of transparency, greater accountability and equity in all facets of its operations and its interactions with its stakeholders and the community at large.

2. BOARD OF DIRECTORS

The composition of Board consists of two promoters and one Non-Executive Director.

• Composition as on 31st March, 2014

NAME	CATEGORY	NO. OF MEETINGS HELD DURING THE LAST FINANCIAL YEAR	NO. OF MEETINGS ATTENDED	NUMBER OF MEMBERSHIPS IN BOARDS OF OTHER COMPANIES *	NO. OF MEMBERSHIPS / CHAIRMANSHIPS IN OTHER COMMITTEES *
Mr. Satish Zaveri	Director	5	5	Nil	Nil
Mr. Sandip Zaveri	Director	5	5	Nil	Nil
Mr. Bhanuraj Mehta	Director	5	5	Nil	Nil

- * Excludes directorship in Private Limited Companies, Section 25 Companies, Foreign Companies and Memberships of Managing Committees of various Chambers / Bodies and Chemiesynth (Vapi) Limited

All Directors were present at the last Annual General Meeting held on September 30, 2013.

• Board Meetings held during the financial year

Board Meetings were held during the year 2013-2014 on following dates:

- (1) 28th May, 2013
- (2) 13th July, 2013
- (3) 6th September, 2013
- (4) 14th November, 2013
- (5) 14th February, 2014