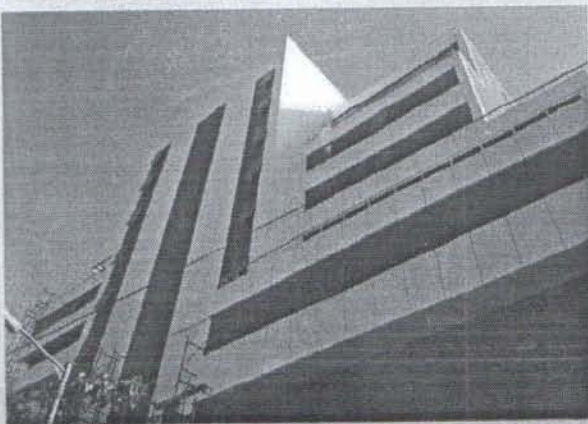




# CHEMTECH

INDUSTRIAL VALVES LTD.

An ISO 9001 : 2008 Certified Company



*Eminence  
Through  
Quality...*

*Not just conventional ...*

ANNUAL REPORT 2015-2016

**20<sup>th</sup>**  
**ANNUAL REPORT**  
**2015-16**

***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  
Amit Kumar Jain  
Niranjay Arnitlal Choudhary  
Rajnikant Hemchandra Panday  
Amitabh Rameshchand Luhadi

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

## AUDITORS:

M/s. S. P. Jain & Associates,  
Chartered Accountants  
602, 6th Floor, Orbit Plaza,  
New Prabhadevi Road,  
Prabhadevi, Mumbai - 400025  
Firm Registration No: 103969W

## BANKERS TO THE COMPANY:

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

## SHARE TRANSFER AGENT:

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

## THE BHARAT CO-OP.BANK

### (MUMBAI) LTD

Gautam Udyog Bhavan  
L.B.S. Marg Bhandup (W),  
Mumbai- 400078

## 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)  
CIN No.: L29299MH1997PLC105108

## 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- 2015-16**

Dear Shareholders,

I have great pleasure to welcome you all to the 20<sup>th</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: 02/09/2016



**Pradeep Shikharchand Badkur**  
**DIN No-00036822**  
**Chairman**

## **Chemtech Industrial Valves Limited**

(Regd. Office: 105, Hiranandani Indl. Estate, Opp. KanjurMarg Rly Station, Mumbai – 400078) Telephone No. +91-22-25839500/8220, Email: [www.chemtechvalves.com](http://www.chemtechvalves.com) ;  
CIN No.: L29299MH1997PLC105108

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

Notice is hereby given that the 20<sup>th</sup> Annual General Meeting of the members of **Chemtech Industrial Valves Limited** will be held on **Friday 30<sup>th</sup> September, 2016 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, 2016.
2. To appoint a Director in place of Mr. Pradeep Badkur who retires by rotation and being eligible, offers himself for re-appointment.
3. 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, the retiring Auditors, M/s. S. P. JAIN & ASSOCIATES Chartered Accountants, (having firm registration no. 103969W), are hereby appointed as Statutory Auditors of the Company for 2016-17, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors.”

By the Order of Board of Directors



Place: Mumbai  
Date: 02/09/2016

**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 26<sup>th</sup> September 2016 to 30<sup>th</sup> September 2016, 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 2015-2016 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**



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

**Place: Mumbai**  
**Date: 02/09/2016**

## DIRECTORS' REPORT

To,  
The Members,  
CHEMTECH INDUSTRIAL VALVES LIMITED

Your Directors are pleased to present the Twentieth 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 2016. 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)

PARTICULARS		
	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
Sales & Other Income	3919.30	3394.21
Profit before Interest & Tax	(268.95)	(359.19)
Less: Depreciation	122.63	128.51
Less: Finance Charges	213.79	196.03
Profit/(Loss) before Taxation	(268.95)	(359.19)
Less: Provision for Taxation	12.70	19.07
Net Profit/(Loss) after taxation	(281.65)	(378.26)

### **Company Performance:-**

Your Company has posted financial results during the year under review. Turnover of the Company has increased from 3394.21 lakhs to 3919.30 lakhs and the Net profit/(loss) increased from (378.26) lakhs to (281.65) lakhs.

### **Dividend:**

During the financial year 2015-16, since the company has incurred loss, the Directors do not recommend any dividend to the Shareholders.

### **Transfer To General Reserve:**

During the financial year 2015-16, since the company has incurred loss, no amount has been transferred to the General Reserve.

### **Export-**

The export sale (FOB) for the year ended March 31, 2016 was Rs.302,351 which was manufacturing export sales compared to Rs.272,518,508 which was trading export sales during the previous year (Note No- 36 (H) 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, your directors confirm that:

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2016, 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 31st March, 2016 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 MGT 9 as a part of this Annual Report. (Annexure I of Director 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. (As Annexure II of Director Report.)

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

In order to promote safe and indiscriminative 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 Clause 49 of the Listing Agreement, 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, Mr. Pradeep Badkur, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offers himself for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 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**

In the year 2015-2016, 4 (Four) Meetings of the Board were held on 30/05/2015, 01/09/2015, 14/11/2015, 01/03/2016. The intervening period between two Board meetings was well within the maximum time gap of four months prescribed in Clause 49.

### **Audit Committee**

During the year, only 4 (four) Audit Committee meeting was held and the accounts are getting finalized for the year ended 2015-16,

The meeting was held on:  
30/05/2015, 01/09/2015, 14/11/2015, 01/03/2016.

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

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possess financial /accounting expertise.

### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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.