

Indo Euro Indchem Limited
(Previously Known as Rinku Polychem Ltd)

21st

ANNUAL REPORT

2010-2011

INDO EURO INDICHEM LIMITED
(Previously known as Rinku Polychem Ltd)

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BOARD OF DIRECTORS

Mr. Vardhman C. Shah	Chairman & Managing Director
Mr. Jaysukh C. Shah	Executive Director
Mr. Bhadhresh C. Shah	Executive Director
Mr. Akshit Lakhani	Director
Mr. Deepak Kumar Pandya	Independent Director

AUDITORS

M/s V.S.Lalpuria & Co.
Chartered Accountants

REGISTERED OFFICE

B-9 to B-16 MIDC,
Osmanabad,
Maharashtra- 413501.

CORPORATE OFFICE

78/C The Dawn Building, 1st Floor
7th Golibar Road, Santacruz East,
Mumbai – 400 055

REGISTRAR & SHARE TRANSFER AGENTS

M/s SHAREX INDIA PVT. LTD.
17/B Dena Bank Building, 2nd Floor,
Horniman Circle, Fort, Mumbai - 400001

Indo Euro Indchem Limited
(Previously Known as Rinku Polychem Ltd)

NOTICE:

Notice is hereby given that the Twenty-first Annual General Meeting of the Members of Indo Euro Indchem Limited (previously known as Rinku Polychem Limited) held on Friday, 30th day of September, 2011 at 10:00 A.M. at B-9 to B-16 Osmanabad Maharashtra- 413501 to transact the following business, with or without modifications.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2011 and Profit & Loss Account for the period ended on that date along with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vardhman Shah Director of the Company, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act 1956, Mr. Akshit Balwantra Lakhani, who was appointed by the Board of Directors as Additional Director as per the provisions of Section 260 of Companies Act 1956, at their meeting held on 1st March, 2011 and who hold office up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing along with requisite Deposit as per the provisions of Section 257 of Companies Act 1956 from a member proposing the candidature of Mr. Akshit Balwantra Lakhani, for the office of the Director, be and is hereby appointed as a Director of the Company.”

5. To consider and, if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act 1956, Mr. Deepak Kumar Pandya, who was appointed by the Board of Directors as Additional Director as per the provisions of Section 260 of Companies Act 1956, at their meeting held on 1st March, 2011 and who hold office up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing along with requisite Deposit as per the provisions of Section 257 of Companies Act 1956 from a member proposing the candidature of Mr. Deepak Kumar Pandya, for the office of the Director, be and is hereby appointed as a Director of the Company.”

Place: Mumbai.

Date: 31.8.2011

**By Order Of The Board Of Directors
For Indo Euro Indchem Limited**

Registered Office:

B-9 to B-16 MIDC,
Osmanabad,
Maharashtra- 413501

Sd/-
Mr. Vardhaman C. Shah
Chairman

Indo Euro Indchem Limited
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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING AND ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The relevant Explanatory Statement pursuant to section 173 of the Companies Act, 1956 in respect of Special Business is annexed hereto.
3. The members are requested to notify immediately changes, if any, in their registered address to the Company's Registrar & Share Transfer Agent M/S Sharex India Pvt. Ltd., 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Mumbai-400001, email ID: sharexindia@vsnl.com.
4. Members are requested to write their Folio Number in the Attendance Slip for easy identification at the meeting and number of shares held by them.
5. The Share Transfer Books and the Register of Members will remain closed from Thursday, 29th day of September, 2011 to Friday, the 30th day of September 2011 (both days inclusive).
6. At the ensuing Annual General Meeting Mr. Vardhman Shah, Director, retires by rotation and being eligible offers himself for re-appointment, and Mr. Akshit Lakhani and Mr. Deepak Kumar Pandya were appointed by the Board of Directors as Additional Directors during the year, retires by completion of their term and being eligible offers themselves for reappointment, the brief resume of directors are as under:

Name	Mr. Vardhman Shah	Mr. Deepak Kumar Pandya	Mr. Akshit Lakhani
Age	50 Years	60 Years	26 years
Qualification	B. Com	B. Sc	M.com
Expertise in Specific Area	Trading & Marketing	Marketing	Trading & Administration
Date of First Appointment on the Board of the Company	11 th July, 1990	1 st March, 2011	1 st March, 2011
Name(s) of the other companies in which Directorship held and Committee	Refer to Report on Corporate Governance.	Refer to Report on Corporate Governance.	Refer to Report on Corporate Governance.

7. Shareholders desiring any information as regards to the Accounts are requested to write to the Company at least Seven days in advance of the Annual General Meeting so that the information, to the extent practicable, can be made available at the Annual General Meeting.
8. **Green initiative in Corporate Governance:** *The Government Of India, Ministry Of Corporate Affairs (MCA) vide its circular no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 has taken a "Green Initiative" and has allowed companies to make service of documents including Annual Report, Audited Financial Statements, Director's Report, Auditor's Report, etc. to the members through the electronic mode, to the registered email addresses of the members. This is a golden opportunity to contribute to our Nation at large. All you have to do is to register your e-mail address with the company to receive communication through the electronic mode.*

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EXPLANATORY STATEMENT
PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

Item No. 4 & 5

Mr. Deepak Kumar Pandya and Mr. Akshit Balwantraai Lakhani were appointed as additional directors of the Company on 1.3.2011 by the Board of Directors of the Company, at their meeting, as per the provisions of Section 260 of Companies Act 1956. They hold office of the Company up to the conclusion of the ensuing Annual General Meeting. As required by Section 257 of the Companies Act 1956, a notice has been received from a member signifying his intention to propose their candidature as Directors of the Company. The Board recommends their appointment as Directors.

All the Directors are concerned or interested in this resolution.

Place: Mumbai.
Date:31.8.2011

By Order Of The Board Of Directors
For Indo Euro Indchem Limited

Registered Office:
B-9 to B-16 MIDC,
Osmanabad,
Maharashtra- 413501

Sd/-
Mr. Vardhaman C. Shah
Chairman

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their **TWENTY FIRST ANNUAL REPORT** together with the Audited Accounts of the Company for the year ended on 31st day of March 2011.

FINANCIAL HIGHLIGHTES:

	For the year ended on 31.03.2011	(Rs. in Lac) For the year ended on 31.03.2010
Turnover	2,60,23,330.00	2,47,88,560.37
Other Income	68,09,294.00	57,69,770.00
Increase / Decrease in Stock	-	-
Total Income	3,61,31,391.00	3,38,57,097.37
Total Expenditure	3,55,08,225.73	3,37,87,728.69
Profit / (Loss) before Taxation	6,23,165.27	69,368.68
Provision for Tax	(3,93,169.00)	(5,12,109.00)
Profit / (Loss) after Taxation	(1,073.73)	5,81,477.68
Balance b/f from Previous Year	19,40,124.00	13,58,646.66
Deferred Tax	(5,08,704.00)	(5,22,829.00)
Earlier Year Adjustments	-	-
Balance Carried to Balance Sheet	19,39,050.61	19,40,124.34

OPERATIONAL REVIEW:

The Sales for the period ended 31.03.2011 were at Rs.2,60,23,330.00 as against Rs. 2,47,88,560.37 for the previous year ended 31.03.2010. The Profit / (Loss) After Tax is Rs. (1,073.00) against Rs. (5,81,477.68) for the previous year ended 31.03.2010.

DIVIDEND:

In view of the revival of the company's operation, your Directors have decided not to recommend any dividend on account for the year under operation.

MANAGEMENT DISCUSSION AND ANALYSIS:

As required by clause 49 of the Listing Agreement with the Stock Exchange, a Management Discussion and Analysis Report are appended.

DIRECTORS:

Mr. Vardhman Shah retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Your Directors recommends his re-appointment.

Mr. Deepak Kumar Pandya and Mr. Akshit Balwantrai Lakhani were appointed as additional directors of the Company on 1.3.2011 by the Board of Directors of the Company, at their meeting, as per the provisions of Section 260 of Companies Act 1956. They hold office of the Company up to the conclusion of the ensuing Annual General Meeting. As required by Section 257 of the Companies Act 1956, a notice has been received from a member signifying his intention to propose their candidature as Directors of the Company. The Board recommends their appointment as Directors.

CHANGE OF NAME:

The Company has changed its name from Rinku Polychem Limited to Indo Euro Indchem Limited in the Extra Ordinary General Meeting held on 5th May, 2011 as the company is planning to expand its business operations in India as well as abroad and also to diversify its business activities.

PERSONNEL:

There were no employees during the year or part of the year drawing remuneration, which falls within the purview of the provisions of Section 217 (2A) of the Companies Act 1956.

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

Information relating to Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo as stipulated under Section 217 (1) (e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is set out in the separate statement, attached to this report & forms part of it.

AUDITORS' REPORT:

The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further comments under Section 217 of the Companies Act 1956.

AUDITORS:

M/s V.S. Lalpuria & Co., Chartered Accountants, retired as Auditors of the Company at the conclusion of the ensuing Annual General Meeting. The Company has received letters from them to effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

FIXED DEPOSITS:

The Company has not invited / accepted / renewed any fixed deposits as per the provisions of Section 58A of the Companies Act 1956 from the public during the year under review.

CORPORATE GOVERNANCE:

A separate report on the Corporate Governance and Management Discussion & Analysis is attached as a part of the Annual Report. The Auditors' Certificate regarding compliance of the conditions of Corporate Governance is also annexed.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 217 (2AA) of the Companies Act 1956, the directors would like to state that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.

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- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the Annual Accounts on a going concern basis.

ACKNOWLEDGEMENTS:

Your Company & its Directors wish to extend their sincerest thanks to the Bankers, State Government, Customers, Suppliers and Staff for their continuous co-operation & guidance.

For And On Behalf Of Board Of Directors

Date: 31/08/2011
Place: Mumbai

Sd/-
Chairman

ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217 (1) (e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988.

A. CONSERVATION OF ENERGY

The capacity of the plant utilized partially, so there was no need to use Generator.

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY.

Sr. No.	Particulars	31-03-2011	31.03.2010
1	Electricity		
	a. Purchased Units	----	-----
	Total Amount in Rs.	----	-----
	Average Rate	----	-----
	b. Own Generation	----	-----
	Unit per litre of Diesel	----	-----
	Cost per unit	----	-----
2	Coal Specify quality where used	----	-----
	Quantity (Tonnes)	----	-----
	Total Cost	----	-----
	Average Cost	----	-----
3	Furnance oil	----	-----
	Quantity (Lits)	----	-----
	Total Amount	----	-----
	Average Rate	----	-----

B. TECHNOLOGY ABSORPTION

Indigenous technology is used. Continuous efforts are being made to improve the quality.

C. FOREIGN EXCHANGE EARNING AND OUTGO:

Total Foreign Exchange Used: NIL

Total Foreign Exchange Earned: NIL

For And On Behalf Of Board Of Directors

Date: 31/08/2011
Place: Mumbai

SD/-
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2011.

INDUSTRY STRUCTURE, DEVELOPMENT:

Indo Euro Indchem Limited (Prv. known as Rinky Polychem Limited) is operating in Pigment and organic Chemical. RPL continues to build strong relationships with key customers.

PERFORMANCE

The Company is doing trading business in poultry feed and organic chemicals. Company is looking for trying to explore the overseas market for exporting chemical products.

SEGMENT-WISE PERFORMANCE:

The Company is into chemical and poultry feed chemicals.

OPPORTUNITIES AND THREATS

The fundamental growth drivers of the country's economy as well as chemical industry continue to remain strong despite the pressures of slowdown and inflationary conditions prevalent till recently in the nation and also globally. The Chemical Industry in the country is continuously attracting investments from domestic and foreign investors. The Indian economy is expected to grow between 7% to 8 % during this fiscal.

The threats to the segments in which the company operates are volatility in Exchange rate, pricing pressure arising due to competition from low cost suppliers, technology upgradation, sever competition among competitor and newly emerging competitive nations and stricter environment laws. Further, the Indian economy is now integrated with the world economy to a very large extent and therefore vulnerable to the direct impact of such a slowdown; such an impact could adversely affect the Company's performance as well. Therefore, the company has decided to close down the manufacturing activity, concentrate on the trading, and look for other opportunities in the Export market.

STRENGTH

The existing management has a strong technical knowledge and experience in the chemical industry. Mr. Vardhman Shah, Chairman and Managing Director is an entrepreneur and is having vast knowledge and expertise in handling various business including the chemical business. Mr. Jaysukh Shah, One of executive director has vast experience and expertise in research and development of chemical industry and Mr. Bhadresh Shah, other executive director has vast experience and expertise in running factories and related issues. The Company has appointed two new directors Mr. Akshit Lakhani who is a young entrepreneur and Mr. Deepak Kumar Pandey, being an impendent director.