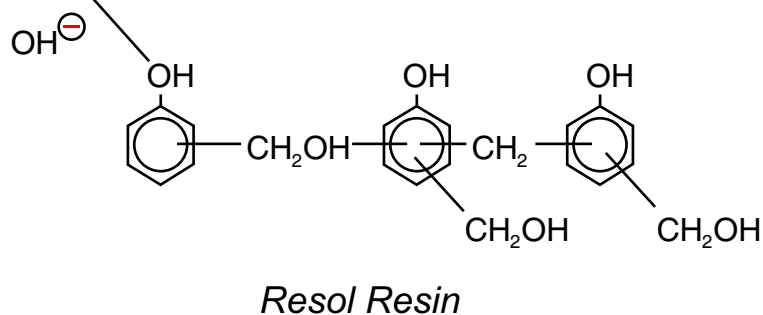
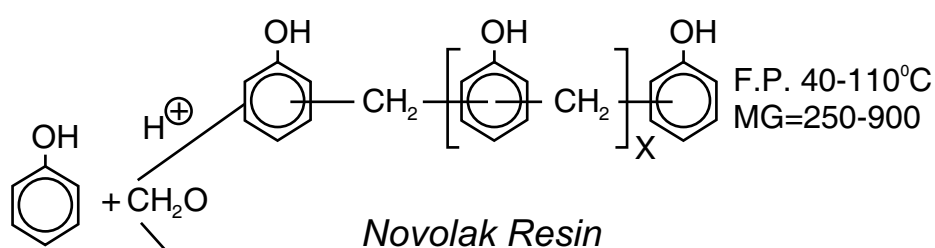


Annual Report 2015-2016



Sreechem Resins Limited



Sreechem Resins Limited

BOARD OF DIRECTORS :

Sri S. N. Kabra	- Managing Director
Sri Binod Sharma	- Joint Managing Director
Sri B.M. Banerjee	- Director
Sri Vikram Kabra	- Director
Sri S. K. Joshi	- Non Exe. Independent Director
Sri Vibhor Sharma	- Director
Sri Sanjay Bansal	- Non Exe. Independent Director
Sri Uttam Jhawar	- Non Exe. Independent Director
Smt. Rajee Sharma	- Woman Director

AUDITORS :

R. C. Jhawar & Co.
Chartered Accountants

BANKERS :

Allahabad Bank
Red Cross Place Branch
Kolkata - 700 001.

SHARE TRANSFER AGENTS :

MCS Shares Transfer Agent Ltd.
12/1/5, Manoharpukur Road
Kolkata - 700 026

REGISTERED OFFICE :

Vill. : Jhagarpur
Post : Rajgangpur - 770 017
(Orissa)

WORKS :

Unit-I Vill. : Jhagarpur
Post : Rajgangpur
Orissa
Unit-II Vill. : Durramura
Post : Raigarh
(C.G.)

CORPORATE OFFICE :

23A, Netaji Subhash Road
11th Floor, Room No. - 11
Kolkata - 700 001
West Bengal

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Sreechem Resins Ltd.

NOTICE OF THE 28th ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the members of the company will be held at the Registered Office of the Company at 10.00 A.M. on Friday the 30th day of September, 2016 to transact the following business :

ORDINARY BUSINESS:

- 1) "To receive, consider and adopt the Financial Statements for the year ended 31st March, 2016, the Reports of the Directors and Auditors thereon".
- 2) A) To appoint a Director in place of Sri Uttam Jhawar (DIN No. 00631065), who retires by rotation and being eligible, offers himself for re- appointment.
B) To appoint a Director in place of Sri Sanjay Bansal (DIN No. 00142576), who retires by rotation and being eligible, offers himself for re- appointment.
- 3) To ratify the appointment of Messrs R. C. Jhawar & Co., Statutory Auditors, who were appointed at the AGM held on 30th September, 2015 for a period of five years up to the conclusion of 32nd AGM. To consider and if thought fit to pass with or without modifications, the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to Section 139, 142 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (the rules), (including any statutory modification(s) or enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Audit Committee, the appointment of Messrs R.C. Jhawar & Co., Chartered Accountants, Kolkata (ICAI Firm Registration Number – 310068E), the retiring Auditors of the Company, be and are hereby confirmed and ratified as Statutory Auditors of the company for financial year 2016-2017 for auditing the accounts of the Company, and the Board of Directors be and are hereby authorized to fix their remuneration plus traveling expenses and other out of pocket expenses incurred by them in connection with statutory audit “.

SPECIAL BUSINESS:

- 4) A) To consider and if thought fit to pass with or without modification the following Resolution as a **Special Resolution**.

"RESOLVED THAT in modification of the earlier Resolution passed in the A.G.M. on 29th September 2010, the company hereby approve and rectify the appointment and payment of remunerations and perquisites of Sri S.N. Kabra (DIN No. 00556947) as Managing Director as per the following terms & conditions with retrospective effect from the end of A.G.M. held on 30th September 2015 for a further period of five years.

- a) **Salary: Rs. 50000/- per month**

PERQUISITES

In addition to salary, the following perquisites are allowed, restricted to an amount equal to the annual salary unless the context otherwise requires. Perquisites are classified into two categories 'A' and 'B' as follows.

Category I

- i) Housing:

The expenditure incurred by the company on hiring furnished accommodation for the Managing Director / Joint Managing Director shall be subject to the following ceiling:

- a) If rented, rent not exceeding 50% of Salary will be paid by the company.
- b) If owned by the company, fully furnished accommodation will be provided by the company.

- c) **Explanation:**



Sreechem Resins Ltd.

The expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules 1962. Value of all these facilities shall however be subject to a ceiling of 40% of the salary of the Managing Director / Joint Managing Director.

- ii) Medical Reimbursement: Expenses incurred for self and family, subject to the ceiling on one month's salary per year or three months salary over a period of three years.
- iii) Leave Travel Concession: For self family once in a year in accordance with the rules specified by the company.
- iv) Club Fees: Fees of Clubs subject to a maximum of two clubs.
- v) Personal Accident Insurance: Premium not to exceed Rs. 2500/- per annum
- vi) Other Benefits: Such other benefits / facilities as may be applicable to other Senior Executives of the Company from time to time in accordance with the Company's practice and rules.

Explanation:

For the purpose of category, a family means the spouse, the dependent children and dependent parents of the Managing Director / Joint Managing Director

Category II

Provision of car to and from Residence. Use of car for Company's business and telephone at residence will not be considered as perquisites.

- B) "RESOLVED THAT in modification of the earlier Resolution passed in the A.G.M. on 29th September 2010, the company hereby approve and rectify the appointment and payment of remunerations and perquisites of Sri Binod Sharma (DIN No. 00557039) as Jt. Managing Director as per the following terms & conditions with retrospective effect from the end of A.G.M. held on 30th September 2015 for a further period of five years.

a) Salary: Rs. 50000/- per month**PERQUISITES**

In addition to salary, the following perquisites are allowed, restricted to an amount equal to the annual salary unless the context otherwise requires. Perquisites are classified into two categories 'A' and 'B' as follows.

Category I**i) Housing:**

The expenditure incurred by the company on hiring furnished accommodation for the Managing Director / Joint Managing Director shall be subject to the following ceiling:

- a) If rented, rent not exceeding 50% of Salary will be paid by the company.
- b) If owned by the company, fully furnished accommodation will be provided by the company.

c) Explanation:

The expenditure incurred by the company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules 1962. Value of all these facilities shall however be subject to a ceiling of 40% of the salary of the Managing Director / Joint Managing Director.

- ii) Medical Reimbursement: Expenses incurred for self and family, subject to the ceiling on one month's salary per year or three months salary over a period of three years.
- iii) Leave Travel Concession: For self family once in a year in accordance with the rules specified by the company.



Sreechem Resins Ltd.

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- v) Personal Accident Insurance: Premium not to exceed Rs. 2500/- per annum
- vi) Other Benefits: Such other benefits / facilities as may be applicable to other Senior Executives of the Company from time to time in accordance with the Company's practice and rules.

Explanation:

For the purpose of category, a family means the spouse, the dependent children and dependent parents of the Managing Director / Joint Managing Director

Category II

Provision of car to and from Residence. Use of car for Company's business and telephone at residence will not be considered as perquisites.

Notes:

A member entitled to attend, vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf, and a proxy need not be a member of this company. Proxies in order to be effective must be received at the registered office of the company not later than 48 hours before the commencement of the meeting. A blank proxy form is enclosed.

The Register of Members and Share Transfer Books of the company will remain closed from 26.09.2016 to 30.09.2016 (both days inclusive).

As required by the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 details of the Director retiring by rotation and eligible for re-appointment are annexed hereto.

No Dividend has been proposed

Members are requested to note that as per Section 124 of the Companies Act, 2013, dividends not en-cashed or claimed within seven years from the date of transfer to the Company's Un-paid Dividend Account, will be transferred to the Investor Education and Protection Fund.

Registered Office

Vill : Jhagarpur,
Post : Rajgangpur-770 017
Orissa
Dated : The 22nd day of August, 2016

By Order of the Board

S. N. KABRA
MANAGING DIRECTOR



Sreechem Resins Ltd.

The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividends. As per the recent RBI guidelines, effective from September 30, 2009, ECS credit will be moved completely on National Electronic Clearance System (NECS) platform through core banking system. Accordingly, dividend will be credited to the shareholders' Bank account through NECS where complete Core Banking details are available with the Company. In the event any branch of a Bank has not migrated to Core Banking system, or where the core banking account number is not furnished by the shareholder to the Depository/Company as the case may be, the Company will print the details available in its records on the dividend warrants to be issued to the shareholders. The Company is complying with SEBI's directive in this regard.

1. Members desiring to seek any information/clarification on the Annual Accounts are requested to write to the Company at least seven days before the Annual General Meeting.
2. Share holders are requested to notify their Bank particulars giving the name of the bank and the branch and the nature of account and also any change of address to the Company's Registrar and Share Transfer Agent, M/S MCS Share Transfer Agent Limited. Share holders are hereby intimated that under instructions from the Securities and Exchange Board of India (SEBI), furnishing of bank particulars by the shareholders has become mandatory.
3. Members are requested to send all communications relating to shares to the company's Registrar and Share Transfer Agent. (Physical and Electronic) M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700026. E- mail:mcssta@rediffmail.com
4. RBI vide it's Circular No. DPSS. (CO). EPPD. No. 191.04.01/2009-2010 dated July 29, 2009 has instructed banks to move to the NECS platform from October 1, 2009.

Consequently you are requested to provide your new account number allocated to you after implementation of Core Banking System by your Bank. otherwise NECS credit to your old account may either be rejected or returned.

Please provide to the Company's Share Registrar and Transfer Agent (M/S MCS Share Transfer Agent Limited, Kolkata) new Bank Account particulars along with a copy of the cheque duly cancelled by quoting your reference folio number in case of shares held by you in physical form. In case the shares are in Dematerialized form, you may kindly provide the same to your Depository participant, so that your future dividend payments can correctly be credited to your new **account**.

5. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 28th Annual General Meeting by electronic means and the other business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the 28th Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The instructions for e-voting are as under:

(A) In case of members receiving e-mail from NSDL:

- i) Open e-mail and PDF file viz. "SREECHEM RESINS LIMITED e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user id and password for remote e-voting. Please note that the password is an initial password.
- ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- iii) Click on shareholder – Login.
- iv) Put user id and password as initial password in step (i) above. Click Login.
- v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



Sreechem Resins Ltd.

- vi) Home page of remote e-voting opens. Click on remote e-voting cycles.
- vii) Select "EVEN" of Sreechem Resins Limited.
- viii) Now you are ready for **remote** e-voting as cast vote page opens.
- ix) Cast your vote by selecting appropriate option and click on "Submit" and also click "Confirm" when prompted.

(B) In case of members receiving physical copy of the notice of Annual General Meeting and attendance slip:

- i) Initial password is provided below the attendance slip.
- ii) If you are already registered with NSDL for **remote** e-voting then you can use your existing user id and password for casting your vote.
- iii) The remote e-voting period commences on September 27, 2016 (9:00 AM) and ends on September 29, 2016 (5:00 PM). During this period shareholder of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- iv) The voting rights of shareholders shall be as per the number of equity shares held by members as on the cut-off date (record date) of September 23, 2016.
- v) Mr J. Patnaik of M/s J. Patnaik & Associates, Company Secretaries, Kolkata has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- vi) The Scrutinizer will submit within a period not exceeding 48 hours from the conclusion of the remote e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Managing Director of the Company.
- vii) The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website @ www.sreechem.in. Members may also note that the Notice of the 28th Annual General Meeting and the Annual Report for the year 2015-16, will be available on the Company's website.

Registered Office

Vill : Jhagarpur,
Post : Rajgangpur-770 017
Orissa
Dated : The 22nd day of August, 2016

By Order of the Board

S. N. KABRA
MANAGING DIRECTOR

Explanatory Statement:

Appointment of Sri S.N. Kabra as Managing Director

Sri S.N. Kabra was appointed as Managing Director in the A.G.M. held on 30.09.2010 for a period of five years u/s 161 of the Company's Act. He was to be re-appointed as Managing Director for a further period of five years from the end of A.G.M. held on 30.09.2015 on the same remuneration & terms and conditions. Sri S.N. Kabra, age about 67 years joined the company as Promoter on 16.05.1988. Being a Commerce Graduate, he has rich experience in Trade and Industry for a period of 38 years. The Board on the recommendation of the Audit Committee recommends to the Members to pass the Resolution Item No. 4 (A) of the Accompanying Notice for approval of the Members of the Company.



Sreechem Resins Ltd.

Other than Sri S.N. Kabra, none of the other Directors except Sri Vikram Kabra is concerned & interested in the Resolution. Sri S.N. Kabra is related to Sri Vikram Kabra as father.

Appointment of Sri Binod Sharma as Jt. Managing Director

Sri Binod Sharma was appointed as Managing Director in the A.G.M. held on 30.09.2010 for a period of five years u/s 161 of the Company's Act. He was to be re-appointed as Managing Director for a further period of five years from the end of A.G.M. held on 30.09.2015 on the same remuneration & terms and conditions. Sri Binod Sharma, age about 58 years joined the company as Promoter on 16.05.1988. Being a Commerce Graduate, he has rich experience in Trade and Industry for a period of 33 years. The Board on the recommendation of the Audit Committee recommends to the Members to pass the Resolution Item No. 4(B) of the Accompanying Notice for approval of the Members of the Company.

Other than Sri Binod Sharma, none of the other Directors except Sri Vibhor Sharma & Smt. Rajee Sharma are concerned & interested in the Resolution. Sri Binod Sharma is related to Sri Vibhor Sharma as father & to Smt. Rajee Sharma as husband.

Appointment of Sri Uttam Jhawar as Independent Director

Sri Uttam Jhawar appointed as Independent Director on 20.12.2010 u/s 161 of the Company's Act. He retired by rotation on the conclusion of the Twenty Fifth A.G.M. & was re-appointed as an Independent Director in the A.G.M. held on 26.09.2013. Being eligible offers himself for re-appointment as Director.

Being a Commerce Graduate, he has rich experience in Trade and Industry for a period of 17 years. The Board on the recommendation of the Audit Committee recommends to the Members to pass the Resolution Item No. 2(A) of the Accompanying Notice for approval of the Members of the Company.

None of the Directors are interested in the Resolution. He is not related to any other Directors of the Company.

Appointment of Sri Sanjay Bansal as Independent Director

Sri Sanjay Bansal appointed as Independent Director on 20.12.2010 u/s 161 of the Company's Act. He retired by rotation on the conclusion of the Twenty Fifth A.G.M. & was re-appointed as an Independent Director in the A.G.M. held on 26.09.2013. Being eligible offers himself for re-appointment as Director.

Being a Commerce Graduate, he has rich experience in Trade and Industry for a period of 16 years. The Board on the recommendation of the Audit Committee recommends to the Members to pass the Resolution Item No. 2(B) of the Accompanying Notice for approval of the Members of the Company.

None of the Directors are interested in the Resolution. He is not related to any other Directors of the Company.

Ratification of appointment of Statutory Auditors and fixing their remuneration

M/s. R.C. Jhawar & Co. Chartered Accountants, Kolkata, F.R. No. 310068E, were appointed as Statutory Auditors for a period of five years at the A.G.M. of the Company held on 30.09.2015. As per the Provision of Section 139(1) of the Company's Act, their appointment for the above tenure is subject to ratification by the Members at every A.G.M. Accordingly ratification of the Members is being sought for the same as set out in Item No. 3 of the Accompanying Notice.

The Board recommends the Resolution at Item No. 3 of the Accompanying Notice for ratification by the Members of the Company.

None of the Directors or Key Managerial Personnel is concerned or interested in the Resolution.



Sreechem Resins Ltd.

DIRECTORS' REPORT TO SHAREHOLDERS

TO

THE MEMBERS

Your Directors have pleasure in presenting the Twenty Eighth Annual Report together with the Audited Accounts for the year ended 31st March 2016.

Financial Results:

	(Figures in Rs. '000)	
	Year ended 31.03.2016	Year ended 31.03.2015
Net Income from operations and other income	245634	313518
Profit before Depreciation, Interest & Tax	2466	10633
Interest	3105	4877
Depreciation	2406	2383
Profit/Loss before Tax	(3045)	3373
Provision for Taxation & Previous year taxes	NIL	1065
Deferred Tax	27	(68)
Profit/Loss after Tax	(3072)	2375
Balance Brought forward from Previous year	15978	13602
Leaving a balance to be carried forward	12906	15978

OPERATIONS:

Your Directors have to report that the net Income from operations for the year is Rs 24.56 crores against last years Rs. 31.35 crores exclusive of Inter Unit Transfers of Rs.5.58 crores against Rs 9.56 crores last year. There is a loss of Rs. 30.45 lacs against profit of Rs. 33.73 lacs in previous year. After provision for income tax amounting to Rs. Nil lacs and write back of Deferred Tax Liabilities of Rs. 0.27 lacs, Net Profit / Loss amounts to Rs.30.72 lacs, against Profit of Rs. 23.75 lacs last year. Adding the brought forward profit of Rs. 159.78 lacs, the balance of Rs. 129.06 lacs is carried over to the next year.

During the year sales decreased substantially as compared to last year. The prices of various raw materials fluctuated and increased during the year which could not be passed on to customers fully resulting in loss during the year. The Directors initiated cost reductions measures during the year under review. There is huge competition from other manufacturers as reported in the last year, the directors do not expect the situation to improve in the foreseeable future as order inflows have reduced.

DIVIDEND:

Looking to loss, your Directors are unable to propose any dividend for the year.

CLOSURE OF MEMBERS AND SHARE TRANSFER BOOKS:

The Register of Members and Share Transfer Books of the Company will be closed with effect from 26th September, 2016 to 30th September, 2016 (both days inclusive).

TRANSFER TO RESERVES:

The Company did not transfer any amount to General Reserve during the year.



Sreechem Resins Ltd.

SHARE CAPITAL:

The Authorized Share Capital of the Company is 5,00,00,000/- (Rupees five Crores only) divided into 50,00,000 Equity Shares of 10/- each. As on March 31, 2016 the paid-up share capital of the Company is 4,00,00,000 (Rupees four Crores only) divided into 40,00,000 Equity Shares of 10/- each. During the year your Company has not issued any equity shares.

DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as at March 31, 2016.

PARTICULARS OF EMPLOYEES:

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended below.

There are no employees who were in receipt of remuneration in excess of the ceiling prescribed in the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further as on date of this report the company has 4 employees and their salaries are as mentioned below:

S. No.	Name of the Employee	Salary per month
1.	Sri S.N. Kabra	Rs. 50000/-
2.	Sri Binod Sharma	Rs. 50000/-
3.	Sri Vikram Kabra	Rs. 25000/-
4.	Sri Vibhor Sharma	Rs. 15000/-

Further the Company currently does not provide any Employee Stock Option Scheme/Employee Stock Purchase Scheme to its employees.

VARIATION IN MARKET CAPITALIZATION:

The trading in the script of the Company is suspended at BSE Limited. Therefore variation in the Market Capitalization has not been calculated.

DIRECTORS :

Sri Uttam Jhawar and Sri Sanjay Bansal, Directors who retires by rotation as required under company's act and being eligible, offers themselves for reappointment. The Board recommends their reappointment as Directors. The Shareholders are requested to approve their reappointment.

Sri S.N. Kabra - Managing Director & Sri Binod Sharma - Jt. Managing Director were reappointed in the A.G.M. on 29th September 2010. The Board recommends their reappointment as Directors. The Shareholders are requested to approve and ratify their appointment & payment of remuneration as mentioned in the Notice for a further period of five years.

BOARD DIVERSITY:

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website www.sreechem.in

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A report on management discussion & analysis is enclosed as part "C" of the Directors Report as per requirement of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.