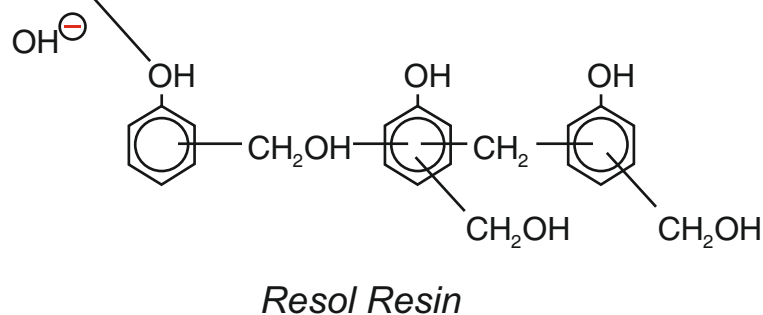
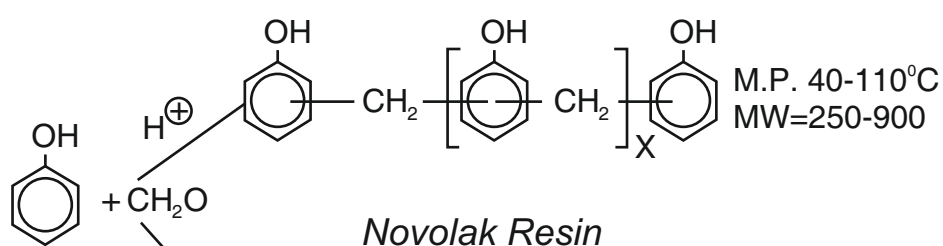


Annual Report 2016-2017



Sreechem Resins Limited



Sreechem Resins Limited

BOARD OF DIRECTORS :

Sri S. N. Kabra	- Managing Director
Sri Binod Sharma	- Joint Managing Director
Sri S. K. Joshi	- Non Exe. Independent Director
Sri Sanjay Bansal	- Non Exe. Independent Director
Sri Uttam Jhavar	- Non Exe. Independent Director
Smt. Rajee Sharma	- Woman Director

RETIRING AUDITORS :

R. C. Jhaver & Co.
Chartered Accountants

PROPOSED AUDITORS :

Puja Somani & 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
(Odisha)

WORKS :

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

CORPORATE OFFICE :

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

CONTENTS

	Page No.
Notice	1- 5
Director's Report	6 - 15
Annexure to the Director's Report	16 - 26
Secretarial Audit Report	27 - 28
Annexure III MGT-9	29 - 36
Independent Auditors' Report	37 - 42
Balance Sheet	43
Statement of Profit & Loss	44
Cash Flow Statement	45
Notes on Accounts	46 - 57
Proxy	58 - 59



Sreechem Resins Ltd.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 29TH ANNUAL GENERAL MEETING OF THE MEMBERS OF SREECHEM RESINS LIMITED WILL BE HELD ON MONDAY THE 25TH DAY OF SEPTEMBER, 2017 AT 10.00 A.M AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT JHAGARPUR POST BOX NO.13, POST – RAJGANGPUR – 770 017, ODISHA TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:**Item 1: ADOPTION OF FINANCIAL STATEMENTS:**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 and the Reports of Board of Directors and Auditors thereon.

Item 2: RE-APPOINTMENT OF MS. RAJEE SHARMA, RETIREMENT BY ROTATION:

To appoint a Director in place of Ms. Rajee Sharma, (DIN: 01771103), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment

Item 3: APPOINTMENT OF AUDITORS:

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

“RESOLVED THAT pursuant to the provisions of section 139, 140, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014 as may be applicable, and pursuant to the resolution passed by the members at the Annual General Meeting held on 30th August, 2015, where in M/s. R.C. Jhaver & Co., Chartered Accountants (Firm Registration No. 310068E) was appointed as the auditors of the Company to hold office till the conclusion of the AGM to be held in the calendar year 2020 and subsequently the company received a written unwillingness letter from M/s. R.C. Jhaver & Co., Chartered Accountants (Firm Registration No. 310068E), stating their unwillingness to continue as the Statutory Auditors of the company from the conclusion of this Annual General Meeting, and on the recommendation of the Audit Committee, **M/s. Puja Somani & Co.**, (Firm Registration No. 328778E) Chartered Accountants, be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM), and that the Board of Directors be and is hereby authorized to fix the remuneration plus service tax, out-of-pocket, travelling, etc. payable to them, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

Date :14.08.2017
Place : Kolkata

By order of the Board of Directors
For SREECHEM RESINS LIMITED

Sd/-SATYA NARAYAN KABRA
(DIN:00556947)
MANAGING DIRECTOR

IMPORTANT NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.



Sreechem Resins Ltd.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

3. **Members / proxies** should bring the duly filled Attendance slip enclosed herewith to attend the meeting. Shareholders are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall. The shareholder needs to furnish the printed 'attendance slip' along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license, to enter the AGM hall.
4. The Register of Members and the Share Transfer books of the Company will remain closed from Monday, 18th September, 2017 to Monday, 25th September, 2017 (both days inclusive), for the purpose of Annual General Meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. Members holding shares in electronic form are hereby informed that bank particulars against their respective depository account will be used by the company for payment of dividend (declared if any). The company or its Registrars cannot act on any request received directly from the members holding share in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the company.
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.
10. Copies of the 29th Annual Report is being sent to all the members via the permitted mode.
11. Members may also note that 29th Annual Report will also be available on the Company's website www.sreechem.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: sreechem@cal2.vsnl.net.in.
12. All documents referred to in the accompanying Notice and the explanatory Statement shall be open for inspection at the Registered Office of the company during normal business hours (10.00 am to 6.00 pm) on all working days except Saturdays, up to and including the date of the general meeting of the company.
13. No dividend has been proposed by the Board of Directors for the year ended 31st March, 2017.
14. Additional Information, pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, in respect to the Director seeking re-appointment (Retirement by rotation) at the Annual General Meeting is as follow;



Sreechem Resins Ltd.

Ms. Rajee Sharma:

Ms. Rajee Sharma (DIN: 01771103), aged 54 years, is a graduate by qualification. Ms. Rajee Sharma being the only Women Director in the board of the company brings to the table her knowledge in handling human resources and also advises the board on handling business negotiations.

No director, key managerial personnel or their relatives, are connected to except her spouse Mr. Binod Sharma, Joint Managing Director of the Company.

Ms. Rajee Sharma (DIN: 01771103), do not hold directorship in any other listed entity than that of M/s Sreechem Resins Limited.

She is the Member of "Stakeholder's Relationship Committee" of the Board of Directors of M/s Sreechem Resins Limited.

Ms. Rajee Sharma (DIN: 01771103), is holding 32,700 Equity Shares in M/s Sreechem Resins Limited.

15. Voting through electronic means:

In compliance with provision of section 108 of the companies Act, 2013 and Rule 20 of the companies (Management and Administration) Rules, 2014, and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to its shareholders to enable them to cast their vote electronically in the 29th Annual General Meeting (AGM). The business may be transacted through remote e-voting Services provided by National Securities Depository Limited (NSDL). Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

THE INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER:-

The process and manner for remote e-voting is 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.
- vi) Home page of remote e-voting opens. Click on remote e-voting cycles.
- vii) Select "EVSN" 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.



Sreechem Resins Ltd.

- iii) The remote e-voting period commences on September 22nd, 2017 (9:00 AM) and ends on September 24th, 2017 (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 18, 2017, 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 18, 2017.
16. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at sreechem@cal2.vsnl.net.in with a copy marked to the scrutinizer at jpatnaikassociates@gmail.com on or before 24th September, 2017 upto 05:00 pm without which the vote shall not be treated as valid.
17. The shareholders shall have one vote per equity share held by them as on the cut-off date i.e, 18th September, 2017. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
18. Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e 18th September, 2017, may obtain the login ID and password by sending a request at to the Company at sreechem@cal2.vsnl.net.in. However, 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. If you forget your password, you can reset the password by using 'Forgot User Details / Password' option available on <https://www.evoting.nsdl.com/>.
19. A member may participate in the AGM even after exercising his right to vote through remote e-voting, but shall not be allowed to vote again at the AGM.
20. The facility for voting through ballot will also be made available at the AGM, and members attending the AGM who have not already cast their vote by remote e-voting will be able to exercise their right at the AGM. Shareholders who have not cast their vote electronically, by remote e-voting may cast their vote at the AGM through ballot paper.
21. At the end of the discussion at the AGM, on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through ballot paper for all those members who are present but have not cast their votes electronically using the remote e-voting facility.
22. **Scrutiny of the Voting Process:**
- a. The Board of directors has appointed **Mr. J. Patnaik of M/s J. Patnaik & Associates**, Practicing Company Secretary as a scrutinizer to scrutinize the voting process (both electronic and physical) in a fair and transparent manner.
- b. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 48 hours from the conclusion of the AGM to the Chairman of the Annual General Meeting. The Chairman, or any other person authorized by the Chairman, shall declare the result of the voting forthwith.
- c. The result, along with the Scrutinizer's Report, will be placed on the Company's website, www.sreechem.in and on the website of NSDL immediately after the result is declared by the Chairman or any other person authorized by the Chairman, and the same shall be communicated to the BSE Ltd.

Date :14.08.2017
Place : Kolkata

By order of the Board of Directors
For SREECHEM RESINS LIMITED
Sd/-SATYA NARAYAN KABRA
(DIN:00556947)
MANAGING DIRECTOR



Sreechem Resins Ltd.

ANNEXURE TO THE NOTICE

Information required to be furnished as per the Listing agreement :

As required under the listing agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below :

Name of the Director	Ms. Rajee Sharma
DIN	01771103
Date of Birth	05-05-1963
Date of Appointment	30-03-2015
Qualification	Graduate
Expertise in specific functional areas	She has come from business family and has proposed good business sense and administrative capabilities
List of other Companies in which Directorship held	1. Josh Commercial Pvt. Ltd.
(excluding in Foreign companies)	2. Steel Aids Pvt. Ltd.
Chairman/Member of Committees the Board of Directors of the Company	NIL
Details of shareholding (both own or held by/for other persons on beneficial basis), if any, in the Company	32700 Shares



Sreechem Resins Ltd.

DIRECTOR'S REPORT

Dear Members

We are pleased to present the report on our business and operations for the year ended 31st March, 2017.

1. Results of our Operations:

The Company's financial performance for the year ended 31st March, 2017 is summarised below;

(Figures in Rs. '000)

Particulars	FY 2016-2017	FY 2015-2016
Revenue from Operations	2,49,589	2,44,246
Other Income	502	1,306
Total Income	2,50,091	2,45,552
Total Expenses	2,52,816	2,48,597
Profit Before Tax & Extraordinary Items	(2,725)	(3,045)
Tax Expense		
- Current Tax	-	-
- Deferred Tax Liability/(Assets)	108	27
Net Profit/(Loss) for the Year	(2,617)	(3,072)

a. Review of operations and affairs of the Company:

During the year under review, the Company has made Profit of Rs. 24.21 lacs before Interest, Depreciation & Tax as compared to Profit of Rs. 24.66 lacs in previous year. However there was a loss of Rs 26.17 lacs after Interest, Depreciation and taxes against Rs. 30.72 lacs loss last year. During the year Sales were maintained around last year despite severe competition from other Producers. The Directors have initiated cost reduction measures. The Directors do not expect the situation to improve in the forceable future as orders inflows have reduced.

b. Dividend:

Due to loss during the year, your Company do not recommend any Dividend during the year under review.

c. Transfer to Reserves:

The Company has not proposed to transfer any amount to any reserve.

d. Deposits:

During the year under review, your company has not accepted any deposits from the public within the meaning of section 76 of the Companies Act, 2013 and the rules there under. There are no public deposits, which are pending for repayment.

e. Particulars of loans, guarantees or investments:

It is hereby informed that the Company has not given any Loans.No fresh investments were made norgiven any guarantee or provided any security during the financial year under review.

f. Particulars of contracts or arrangements made with related parties:

The Company has not entered into any Contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013, during the financial under review, except to the extent of remuneration to Managing Director, Jt. Managing Director and other Directors of the Company. The Policy on Related Party Transaction is available on our website www.sreechem.in

g. Variation in market Capitalization:

During the financial year under review, the Securities of your Company were listed but the trading of these securities was under suspension at BSE Limited, thus the company is not able to provide any Market Price



Sreechem Resins Ltd.

data for the securities of the Company. The Company is also listed in Kolkata and Bhubaneswar Stock Exchange. The data w.r.t. to Net-worth of the Company is provided hereunder.

Particulars	F.Y. 2016-2017	F.Y. 2015-2016
Net-Worth	6,03,94,360	6,30,11,374

The Company is pursuing the matter of revocation in suspension of Trading with the BSE Limited.

h. Management's Discussion and Analysis:

Management's Discussion and Analysis Report for the year under review, as stipulated under Schedule V (B) of Regulation 34(2)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is appended as **Annexure I** to this report.

i. Director's Responsibility Statement:

Pursuant to Section 134(3)(c) and Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no 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 and loss of the Company for that period;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (erstwhile Companies Act, 1956) 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;
- (v) the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

j. Recommendations of the Audit Committee:

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

2. Human Resource Management:

To ensure good human resources management at Sreechem Resins Limited, we focus on all aspects of the employee lifecycle. This provides a holistic experience for the employee as well. During their tenure at the Company, employees are motivated through various skill-development, engagement and volunteering programs. All the while, we create effective dialogs through our communication channels to ensure that the feedback reach the relevant teams, including the leadership.

a. Particulars of employees:

The table containing the details of remuneration of Directors and 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 as **Annexure III** to this report.

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.



Sreechem Resins Ltd.

Further as on 31st March, 2017 the Company had 49 employees and the Disclosure with respect to details of the Top 10 employees as on 31st March, 2017 in pursuance to Rule 5(2) & Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given under Annexure-IV:

The Company currently do not provide any Employee Stock Option Scheme/Employee Stock Purchase Scheme to its employees.

b. Key Managerial Personnel:

i. Managing Director or Chief Executive Officer or Manager and in their absence, a Whole-Time Director:

Ø Mr. Satya Narayan Kabra (DIN: 00556947) is the Managing Director.

ii. Company Secretary:

Ø Ms. Suman Murarka, was appointed as Company Secretary of the Company w.e.f. 12th September, 2016

iii. Chief Financial Officer:

Ø Mr. Prabhu Dayal Somani is the Chief Financial Officer.

3. Corporate Governance:

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. At Sreechem Resins Limited, it is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders. The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally.

As per the Regulation 15(2)(a) of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015; The compliance with the Corporate Governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of the Listed entity having paid up Equity share capital not exceeding Rs. 10 Crore and Net-worth not exceeding of 25 Crore, as on the last day of the Previous financial year. It is hereby informed that your Company during the Previous financial year had the paid-up capital of Rs. 4,00,00,000 divided in to 40,00,000 Equity Shares of Rs. 10/- each and the Net-worth of the Company was Rs. 603.94 Lakhs. Thus, the compliance with provisions of Corporate Governance in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to your Company.

a. Compliance Department:

During the year under review, the following changes took place with respect to the Compliance Officer of the Company:

- Ms. Suman Murarka was appointed as Company Secretary cum Compliance officer of the Company w.e.f. 12th September 2016.

The Compliance department of the Company is responsible for independently ensuring that the operating and business units comply with regulatory and internal guidelines. New instructions/guidelines issued by the Regulatory authorities were disseminated across the Company to ensure that the business and business units operate within the boundaries set by the regulators and that compliance risks are suitably monitored and mitigated in course of their activities & processes.

b. Information on the Board of Directors of the Company:

During the year under review, following changes took place in the Composition of Board of Directors of the Company;