

**28<sup>TH</sup>**

**ANNUAL REPORT**

**2017-2018**

**INDO EURO INDCHEM LIMITED**

**INDO EURO INDCHEM LIMITED**  
**CIN NO:L24100MH1990PLC057190**  
**TWENTY EIGHTH ANNUAL REPORT 2017-2018**

**BOARD OF DIRECTORS:**

Mr.VARDHAMAN CHHAGANLAL SHAH : CHAIRMAN&MANAGING DIRECTOR  
Mr. AKSHIT BALWANTRAI LAKHANI : DIRECTOR  
Mr. DIPAKKUMAR PRATAPRAI PANDYA : INDEPENDENT DIRECTOR  
Mr.PARESH MAGANLAL VALANI : INDEPENDENT DIRECTOR  
Mrs. RIMA BANDYOPADHYAY : INDEPENDENT DIRECTOR

**COMPLIANCE OFFICER:** Vardhman C Shah

**STATUTORY AUDITORS:** M/s Vora& Associates, Chartered Accountants  
101-103,Rewa Chambers,  
31,New Marine Lines,  
Mumbai – 400020.

**SECRETARIAL AUDITOR** Anish Gupta & Associates,  
Practicing Company Secretaries

**REGISTERED OFFICE:** B-9 TO B-16, M.I.D.C  
Osmanabad, Maharashtra -413501

**REGISTRAR TRANSFER AGENTS :** M/s Sharex India Pvt Ltd  
Unit 1, Luthra Industries Premises  
Andheri -Kurla Road, Safed Pool  
Andheri (E), Mumbai -400072

**INDO EURO INDICHEM LIMITED**

**Red Office: B-9 To B-16 MIDC,Osmandabad, Maharashtra-413501**  
**email: galaxy\_delta@yahoo.co.in, website: www.indoeuroindchem.com**  
**CIN No.L24100MH1990PLC057190,Landline :- 02472-203497**

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## INDO EURO INDCHEM LIMITED

Red Office: B-9 TO B-16 MIDC, OSMANABAD, Maharashtra-413501  
Email: [galaxy\\_delta@yahoo.co.in](mailto:galaxy_delta@yahoo.co.in), website: [www.indoeuroindchem.com](http://www.indoeuroindchem.com)  
CIN No.L24100MH1990PLC057190, landline Osmanabad :- 02472-203497

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Twenty Eighth Annual General Meeting (AGM) of Indo Euro Indchem Limited will be held on Thursday, 27<sup>th</sup> September, 2018 at 11.30 a.m. at B-9 TO B-16, M.I.D.C.Osmanabad Maharashtra to transact the following business:

#### ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2018 and Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Vardhman Chhaganlal Shah (Din no: 00334194) who retires by rotation and being eligible offers himself for re-appointment.

#### SPECIAL BUSINESS

3. Appointment Of Mr. Vardhman Chhaganlal Shah as Managing Director

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification from time to time or any re-enactment thereof for the time being in force) (the “Act”) read with Schedule V to the said Act, and pursuant to Articles of Association of the Company, the recommendation and approval of the Nomination and Remuneration Committee and such other approvals, permissions and sanctions, as may be required, consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Vardhman Chhaganlal Shah (DIN: 00334194) as Managing Director, of the Company without any remuneration for a period of Five years with effect from 1<sup>st</sup> September, 2018 to 31<sup>st</sup> August, 2023, upon the principal terms and conditions set out in the explanatory statement annexed hereto, with liberty to the Board of Directors of the Company to alter and vary, without further reference to the shareholders, the terms and conditions of the said re-appointment, in such manner, as may be agreed to between the Board of Directors and Mr. Vardhman Chhaganlal Shah.”

**RESOLVED FURTHER THAT** Mr. Vardhman Chhaganlal Shah shall have the right to exercise such powers of Management of the Company as may be delegated to him by the Board of Directors from time to time.

**RESOLVED FURTHER THAT** he is appointed as a Managing Director on Board liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do and perform or cause to be done and performed, all such acts and deeds necessary to give effect to the

foregoing resolution, including inter alia, approving on behalf of the Company, any changes or modifications in the aforesaid Agreement from time to time.

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

**“RESOLVED THAT** pursuant to the provisions of Section 185 of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017 (“said Section”), approval of shareholders of the Company be and is hereby accorded for giving of loan(s)/including loan already given, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any loan taken/ to be taken by Silikon Vyapar Private Limited, being an entity under the category of ‘a person in whom any of the director of the company is interested’ as specified in the explanation to Sub-section 2(b) of the said Section, of an aggregate outstanding amount not exceeding Rs.2,50,00,000 (Rupees Two Crore Fifty Lakhs only).

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any committee thereof) be and is hereby authorized to negotiate, finalize and agree the terms and conditions of the aforesaid loan/guarantee/security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

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

**“RESOLVED THAT** pursuant to Section 186(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), consent, sanctions and permissions as may be necessary of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose or any person(s) authorized by the Board) for making investment(s) in excess of limits specified under section 186 of Companies Act, 2013 from time to time in acquisition of securities of anybody corporate or for giving loans, guarantees or providing securities to anybody corporate or other person / entity whether in India or outside India, as may be considered appropriate for an amount not exceeding Rs. 50 crore (Rupees Fifty Crore only), notwithstanding that such investment and acquisition together with the Company's existing investments in all other bodies corporate, loans and guarantees given and securities provided shall be in excess of the limits prescribed under section 186(3), of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of Directors of the Company be and is hereby authorized to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as they may in their absolute discretion deem fit to give effect to this resolution."

Place: **Osmanabad**  
Date: **13.08.2018**

By Order of the Board of Directors  
For **Indo Euro Indchem Limited**

Sd/-

Registered Office  
**B-9 TO B-16 MIDC,OSMANDABAD,  
MAHARASHTRA-413501**

**VardhmanChhaganlal Shah**  
**Chairman**  
**Din 00334194**

**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE ‘MEETING’) IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
2. Pursuant to the provisions of the Companies Act, 2013 and the underlying rules viz. Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total shares capital of the company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. Proxy shall not have a right to speak at the meeting and shall not be entitled to vote except on a poll.
3. The Proxy Form in order to be effective must be received at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
4. Corporate members intending to send their authorised representatives to attend the meeting pursuant to Section 113 of Companies Act, 2013 (“the Act”) are requested to send to the Company a certified copy of the Board resolution authorising their representatives to attend and vote on their behalf at the meeting.
5. Only registered Members of the Company or any proxy appointed by such registered Member may attend and vote at the Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she can participate in the Meeting but shall not have a right to vote.
6. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting. The members are requested to get their shares dematerialized. The company’s ISIN Code No. INE319N01019.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
8. In the general interest of the Members, it is requested of them to update their bank mandate / NECS / Direct credit details / name / address / power of attorney and update their Core Banking Solutions enabled account number:
  - For shares held in physical form: with the Registrar and Transfer Agent of the Company.
  - For shares held in dematerialized form: with the depository participant with whom they maintain their demat account.
9. An Explanatory Statement pursuant to section 102 of the Act in respect of Item no 3 of the Notice set out above is annexed hereto.

- 10. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, September 25, 2018 to Thursday, September 27, 2018(both days inclusive) for the purpose of Annual General Meeting.**
11. Duly executed and stamped transfer deeds, along with the share certificates, should be submitted to the Company's Registrar and Share Transfer Agents before the closure of the Register of Members for registration.
12. Members holding shares in physical form and wishing to make / change in a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may submit the prescribed particulars in Form No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), to the Company.
13. The Company has entered into necessary arrangement with Central Depository Services (India) Limited (CDSL) to enable the Shareholders to dematerialize their shareholding in the Company for which they may contact the Depository Participant.
14. Electronic copy of the Annual Report, Notice of the Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
15. In view of Go Green initiative being undertaken by the Company, Members who have not yet registered their e-mail address so far are requested to register/update their e-mail addresses with the Company's RTA or with the Company. Shareholders holding shares in dematerialized form are requested to register their e-mail addresses and changes therein with the concerned Depositories through their Depository Participant.
16. Members are requested to bring their copy of Annual Report to the Meeting. A member desirous of getting any information with regard to Accounts of the Company is requested to send the queries to the Company at least 10 days before the meeting to the Company Secretary at the Registered Office of the Company.
17. Members are requested to mention their Folio Number/ Client ID/DP ID Number (in case of shares held in dematerialized form) in all their correspondence with the Company / Depository Participant in order to facilitate response to their queries promptly.
18. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission at the entrance to the place of the meeting.
19. Members who are holding shares of the Company in physical form through multiple folios in identical order of names are requested to write to the Company, enclosing their share certificates, to enable the Company to consolidate their holdings in one folio.
20. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote, whether in person or by proxy.
21. Members are requested to contact the Company's RTA for reply to their queries/redressal of complaints.  
M/s Sharex India Pvt Ltd  
Unit 1, Luthra Industries Premises  
Andheri -Kurla Road, Safed Pool

22. Details of Director Seeking Re-Appointment/Appointment at the Annual General Meeting

Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meeting, the relevant details of Director seeking re-appointment are provided as below:

<b>Name</b>	VARDHAMAN C SHAH
Date of Birth	28/09/1961
Directors Identification Number (DIN)	00334194
Age	57
Qualification	B.Com
Expertise in Specific Area	Trading & Marketing
Date of first Appointment on board of the Company	30/09/2008
Shareholding in INDO EURO INDCHEM LIMITED	2394100
Directorship held in other public Companies,(excluding Foreign and Private Companies)	NIL
Membership/Chairmanships of Audit and stakeholders relationship committees	NIL

23. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules made thereunder will be available for inspection by the members at the Meeting.

24. The relevant documents referred to in this Notice are open for inspection at the Meeting and such documents will also be available for inspection in physical or in electronic form at the registered office and copies thereof shall also be available for inspection in physical or electronic form at the registered office from the date of dispatch of the Notice till the date of the Meeting on all working days, from 10 A.M TO 12 P.M., except Saturdays.

**25. Voting through electronic means:**

- I. In Compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Amendment Rules, 2015 ('Amendment Rules') and the regulation 44 of SEBI Listing Regulations, 2015, and Secretarial Standard, on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 28<sup>th</sup> Annual General Meeting (AGM) by electronic means and the 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 AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- i. The facility of voting through ballot or polling paper shall also be made available for the members at the Meeting who have not been able to vote electronically and who are attending the Meeting. The members who have casted their vote electronically would be entitled to attend the Meeting but would not be permitted to cast their vote



again at the Meeting. The facility to vote by electronic voting system will not be provided at the Meeting.

- ii. The remote e-voting period commences on Monday 24<sup>th</sup> September, 2018 at (9.00 A.M. IST) and ends on Wednesday, 26<sup>th</sup> September, 2018 at (5.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Cut-off date on Thursday, 20<sup>th</sup> September, 2018 at (5.00 P.M. IST), may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting on Wednesday, 26<sup>th</sup> September, 2018 at (5.00 P.M. IST). Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Monday, 24<sup>th</sup> September, 2018 at (9.00 A.M. IST) and ends on Wednesday, 26<sup>th</sup> September, 2018 at (5.00 P.M. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) on Thursday, 20<sup>th</sup> September, 2018 at 5.00 P.M may cast their vote electronically.  
The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID  
a. For CDSL: 16 digits beneficiary ID  
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,  
c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (viii) If you are a first time user follow the steps given below:

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <INDO EURO INDCHEM LIMITED > on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) The Board of Directors has appointed Mr. Anish Gupta, Practising Company Secretary (FCS : 5733, CP : 4092) as Scrutinizer for conducting the remote electronic voting process in a fair and transparent manner.
- (xxii) The Scrutinizer shall submit his report, to the Chairman, on the votes cast in favour or against, if any, within a period of three working days from the date of conclusion of the e-voting period.
- (xxiii) The results declared along with the Consolidated Scrutinizer's report shall be placed on the website of the Company [www.indoeuroindchem.com](http://www.indoeuroindchem.com) The results shall simultaneously be communicated to the Stock Exchanges.
- (xxiv) Route map giving directions to the venue of the meeting is annexed to the Notice.

**EXPLANATORY STATEMENT**  
**PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013**

**Item No. 3 :**

The Board of Directors of the Company in its meeting held on 13<sup>th</sup> August 2018 extended the term of appointment of Mr.Vardhman Chhaganlal Shah as Managing Director, of the Company without remuneration for a period of 5 years from 1<sup>st</sup> September, 2018 to 31<sup>st</sup> August, 2023 as recommended by the Nomination and Remuneration Committee.

Brief particulars of the terms of re-appointment of and remuneration payable to Mr.Vardhman Chhaganlal Shah are as under:

- a. Remuneration: Nil
- b. The Managing Director shall have the right to manage the day-to-day business and affairs of the Company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company.
- c. The Managing Director shall act in accordance with the Articles of Association, of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.
- d. The Managing Director shall adhere to the Company's Code of Conduct for Directors and Senior Management Personnel.
- e. Mr.Vardhman Chhaganlal Shah satisfies all the conditions set out in Part-I of Schedule V of the Act and also conditions set out under Section 196 (3) of the Act for being eligible for his reappointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr.Vardhman Chhaganlal Shah under Section 190 of the Act.

Brief resume of Mr.Vardhman Chhaganlal Shah is given below:

Mr.Vardhman Chhaganlal Shah is the Promoter & Managing Director of the Company and a founder member. He brings 26 years of experience in Trading and Marketing. He has graduated from Mumbai University.

The Board of Director recommends the relevant resolution for your consideration and approval as an Ordinary Resolution.

Mr.Vardhman Chhaganlal Shah and his relatives shall be deemed to be concerned or interested in the resolution.

No other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolutions et out at Item No. 3.

**Item No. 4 :**

In order to conduct business and align with various legislations, policies, guidelines laid down by various statutory authorities the company in the ordinary course of business is required to advance loan to its directors, relatives and associates directly or indirectly as per section 185 of Companies Act, 2013 which requires approval of members by a Special Resolution.

SilikonVyapar Pvt Ltd is an entity under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub-section 2(b) of the Section 185 of Companies Act, 2013 and hence consent of the members is being sought by way of a special resolution pursuant to Section 185 of the Companies Act, 2013 (as amended by the Companies (Amendment) Act, 2017) for loan given and further making of any loan(s) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any loan taken/ to be taken by

SilikonVyapar Pvt Ltd of an aggregate outstanding amount not exceeding Rs.2,50,00,000 (Rupees Two Crore Fifty Lakhs only) at such terms and condition as may be decided by the Board of Directors in the best interest of the Company and necessary delegation of authority is being given to the Board for this purpose.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members.

Mr. Vardhman Shah, AkshitLakhani, their relatives shall be deemed to be concerned or interested in the resolution.

No other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

**Item No. 5 :**

In the opinion of the board, the company may, in near future in order to carry out business operations the company may have to give loans or make investment or to extend guarantee or the company may have to provide security, notwithstanding that such investment and loans, guarantees etctogether with the Company's existing investments in all other bodies corporate, loans and guarantees given and securities provided shall be in excess of the limits prescribed under section 186(3), of the Companies Act, 2013.

In this regard it is to be mentioned that as per the provisions of the section 186 of the Companies Act, 2013, the board of director is required to take approval of the members by way of special resolution in order to make any loans or investments or to give any guarantees or to provide security in excess of the prescribed limits under the said Act, amount not exceeding Rs. 50 Crores.

In order to make investment(s) in excess of limits specified under section 186 of Companies Act, 2013, the Company requires approval from the shareholders in a general meeting.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice.

Place: **Osmanabad**  
Date: **13.08.2018**

By Order of the Board of Directors  
For **Indo Euro Indchem Limited**

sd/-

Registered Office  
**B-9 TO B-16 MIDC, OSMANABAD,  
MAHARASHTRA-413501**

**VardhmanChhaganlal Shah**  
**Chairman**  
**Din 00334194**

## INDO EURO INDCHEM LIMITED

**Red Office: B-9 TO B-16 MIDC,OSMANDABAD, Maharashtra-413501**  
**email: [galaxy\\_delta@yahoo.co.in](mailto:galaxy_delta@yahoo.co.in), website: [www.indoeuroindchem.com](http://www.indoeuroindchem.com)**  
**CIN No.L24100MH1990PLC057190, landline osmanabad :- 02472-203497**

### **BOARD'S REPORT**

To,  
**The Shareholders,**

Your Directors have pleasure in presenting the 28<sup>th</sup> Annual Report along with the Audited Financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2018.

#### **First year of implementation of Indian Accounting Standards (Ind AS):**

This is the first year of implementation of the Indian Accounting Standards (Ind AS). The standalone financial statements for the year ended March 31, 2018 have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. The financial statements for the year ended March 31, 2017 have been restated in accordance with Ind AS for comparative information.

#### **FINANCIAL RESULTS:**

<b>Particulars</b>	<b>For the Year ended 31.03.2018</b>	<b>For the Year ended on 31.03.2017</b>
Total Income	8,04,88,666	3,36,53,664
Total Expenditure	7,90,48,246	3,26,83,082
Profit/(Loss) before taxation	14,40,420	9,70,581
Provision for Tax	6,39,829	1,57,380
Profit / (Loss) after tax ---- (A)	8,00,591	8,13,201
Other Comprehensive Income	(1,96,146)	(42,972)
Profit / (Loss) after Other Comprehensive Income ---- (B)	(1,96,146)	(42,972)
Profit / (Loss) for the period (A+B)	6,04,445	7,70,229

#### **BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR:**

During the year, the net revenue from operations of your Company increased from Rs.3,36,53,664/- to Rs. 8,04,88,666/-. Profit for the current financial year stood at Rs. 6,04,445/- vis-à-vis Rs. 7,70,229/- in the previous year.

#### **TRANSFER TO RESERVES:**

The Company has carried net profit of the year of Rs. 8,00,591/- to the surplus account in the Balance Sheet.

#### **CHANGE IN THE NATURE OF BUSINESS:**

There is no change in the nature of business of the Company.

#### **DIVIDEND:**

To conserve the resources, The Board does not recommend any dividend for the equity shareholders for the financial year 2017-18.

### **DIVIDEND DISTRIBUTION POLICY:**

Pursuant to Regulation 43A of LODR Regulation 2015, the regulations related to Dividend Distribution Policy are not applicable to the Company.

### **DEPOSITS:**

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made thereunder.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has not made any fresh investment during the year under review. The company has not given any fresh loans, advances or guarantees covered under the provisions of section 186 of the Companies Act, 2013 during the financial year 2017-2018.

### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

During the financial year, your Company has entered into related party transactions. Suitable disclosures as required under AS-18 have been made in the Notes to the financial statements.

All related party transactions pursuant to section 188 (1) of the Companies Act, 2013, that were entered during the financial year were at arm's length and in the ordinary course of the business of the Company. There were no materially significant related party transactions entered by the Company with Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

Since there were no related party transaction during the year under review except in the ordinary course of business and on arms' length basis, form AOC-2 as prescribed under section 134(3)(h) of the Companies Act, 2013 is not applicable to the Company.

### **SHARE CAPITAL:**

Presently, the Share Capital of the Company is Rs. 9,03,47,000/- (includes calls in arrear of Rs. 1,98,000) divided into 90,54,500 Equity Shares of Rs. 10/- each.

### **DETAILS OF SUBSIDIARY COMPANIES/JOINT VENTURE:**

During the year under review, no Company has become or ceased to be a Subsidiary/Joint Venture/ Associate Company of your Company

### **DETAILS OF DIRECTORS AND KMPs APPOINTMENT OR RESIGNATION DURING THE YEAR:**

In accordance with the provisions of the Companies Act, 2013, Mr. Vardhaman C Shah, Managing Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. Mr. Jaysukh C Shah resigned from his office w.e.f 22<sup>nd</sup> April, 2017 due to his other preoccupation.

Mr. Vardhaman C Shah was re-appointed as Managing Director in the Annual General Meeting held on 30<sup>th</sup> September, 2013 for a period of five years w.e.f. 1st September, 2013. His term has expired on 31st August, 2018. The Board on recommendation of the Nomination and Remuneration Committee proposed his re-appointment as the Managing Director of the Company for further period of 5 years with effect from 01.09.2018 to 31.08.2023.

## **MEETINGS OF THE BOARD:**

The Board meets at regular intervals to discuss and decide on Company/business policies and strategies apart from other Board businesses. The Board/Committee Meetings are prescheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The Board of Directors of your Company met 4 Times during the year to carry the various matters. The Meetings were convened on 30<sup>th</sup> May 2017, 21<sup>st</sup> August 2017, 14<sup>th</sup> December, 2017 and 13<sup>th</sup> February, 2018 respectively.

The maximum interval between any two consecutive Board Meetings did not exceed 120 days.

Attendance of Directors at the Board Meeting is as under:

Sr. No.	Name of Director	Category	No. of Meetings during FY 2017-18	
			Held	Attended
1	Mr. Vardhman Shah	Managing Director	4	4
2	Mr. Akshit Lakhani	Executive	4	4
3	Mr. Dipak Pandya	Independent/Non Executive	4	4
4	Mrs. Rima Bandyopadhyay	Independent/Non Executive	4	4
5	Mr. Paresh Valani	Independent/Non Executive	4	4

## **COMPOSITION OF AUDIT COMMITTEE:**

The audit committee of the Company is constituted in accordance with Section 177 of the Companies Act 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

The Audit Committee acts as a link among the Management, the Statutory Auditors, and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

Composition of Audit Committee and attendance record of members for 2017-18.

Sr. No.	Name of Directorship	Chairman/Member	Category	No. of Meetings during FY 2017-18	
				Held	Attended
1	Mr. Paresh Valani	Chairman	Independent/Non Executive	4	4
2	Mr. Dipak Kumar Pandya	Member	Independent/Non Executive	4	4
3	Mr. Akshit Lakhani	Member	Executive	4	4

During the Financial Year 2017-18, 4 Meetings were held on 30<sup>th</sup> May 2017, 21<sup>st</sup> August 2017, 14<sup>th</sup> December, 2017 and 13<sup>th</sup> February, 2018.

The necessary quorum was present for all the meetings.



**COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE:**

The Nomination & Remuneration Committee of the Company is constituted in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015.

Composition of Nomination & Remuneration Committee and the attendance record of members for 2017-18 are as below:

Sr. No.	Name of Directorship	Chairman/ Member	Category	No. of Meetings during FY 2017-18	
				Held	Attended
1	Mr.PareshValani	Chairman	Independent/Non Executive	1	1
2	Mr.DipakkumarPandya	Member	Independent/Non Executive	1	1
3	Mrs.RimaBandyopadhyay	Member	Independent/Non Executive	1	1

During the Financial Year 2017-18, 1 Meeting was held on 30<sup>th</sup> May 2017.

The necessary quorum was present for all the meetings

**COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee of the Company is constituted in accordance with Section 178 of the Companies Act, 2013.

Composition of Stakeholders Relationship Committee and the attendance record of members for 2017-18 are as below:

Sr. No.	Name of Directorship	Chairman/ Member	Category	No. of Meetings during FY 2017-18	
				Held	Attended
1	Mr.PareshValani	Chairman	Independent/N on Executive	4	4
2	Mr.DipakkumarPandya	Member	Independent/N on Executive	4	4
3	Mr.AkshitLakhani	Member	Executive	4	4

During the Financial Year 2017-18, 4 Meetings were held on 30<sup>th</sup> May 2017, 21<sup>st</sup> August 2017, 14<sup>th</sup> December, 2017 and 13<sup>th</sup> February, 2018.

The necessary quorum was present for all the meetings.

## **POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KMP AND REMUNERATION POLICY:**

The Board has, on the recommendation of the Nomination and Remuneration Committee adopted the Remuneration Policy, which inter-alia includes policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management Personnel and their remuneration.

## **BOARD EVALUATION:**

The Board of Directors has made the formal annual evaluation of its own performance and that of its committees and individual directors and found it to be satisfactory.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an Internal Control System, commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilizations of resources, reliability of its financial information and compliance.

Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of your company's operation.

## **RISK MANAGEMENT POLICY:**

The Company has formulated Risk Management Policy. The Board takes all necessary steps to identify and evaluate business risks and opportunities and take corrective steps.

## **VIGIL MECHANISM:**

The company has a vigil mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee.

## **DISCLOSURES UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The Company is committed to provide a safe & conducive work environment to its employees. Though the Company is not required to adopt the policy, however it ensures the safety of its women employees at workplace. During the year under review, no case of sexual harassment was reported.

## **CORPORATE GOVERNANCE:**

In terms of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, compliance relating to Corporate Governance, is not applicable for the Listed Company having paid up equity share capital not exceeding Rs. 10 crores and net worth not exceeding Rs. 25 crores on the last day of the previous financial year.

As your company's paid up equity share capital is not exceeding Rs. 10 crores and net worth not exceeding Rs. 25 crores, Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 are not applicable and do not form a part of this Annual Report.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis forms a part of this annual report and is annexed to this report as “Annexure 1”.

### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- i. In the preparation of the annual accounts, the applicable accounting standards had 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 were 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 the year under review.
- iii. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this 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.
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### **STATUTORY AUDITORS:**

Pursuant to the provisions of Section 139(2), and Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, **VORA & ASSOCIATES, Chartered Accountants (Firm Registration No. 111612W)** was appointed as a Statutory Auditor of the Company in the Annual General Meeting held on 28<sup>th</sup> September, 2017 for a term of five (5) consecutive years to hold office from the conclusion of the Annual General Meeting held for the financial year 2016-17 till the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company to be held for the financial year 2022. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed for the financial year 31.3.2019. The Ministry of Corporate Affairs vide its Notification dated 7th May 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

### **STATUTORY AUDITORS' OBSERVATIONS & COMMENTS FROM BOARD**

Remark : The Company has not made any provision for old receivables outstanding for than 1 year as the management is putting efforts for recovery or settlement with the parties.

Comment : The management is putting its all efforts for recovery or settlement with the parties.

### **SECRETARIAL AUDITOR:**

A Secretarial Audit was conducted during the year by the Secretarial Auditor M/s. Anish Gupta & Associates, Practicing Company Secretaries. The Secretarial Auditors Report is attached as “Annexure 2”.

## **SECRETARIAL AUDITORS' OBSERVATIONS & COMMENTS FROM BOARD:**

1. The Company has not appointed Company Secretary and Chief Financial Officer as KMP as required under section 203 of Companies Act, 2013 and Compliance Officer as required under regulation 6 of SEBI (LODR) Regulations 2015.  
Comment:- The Company is looking for suitable candidate and will comply with the same as soon the suitable candidate is found.
2. The company has not complied with the regulation 31(2) of LODR according in respect of convert 100% physical shareholding of promoters in Demat Form.  
Comment:- The company will do the necessary compliances.
3. The Company has not updated its websites with policies and other information as required under the Companies Act and the Listing Agreement.  
Comment:- The company will do the necessary compliances.
4. The Investment made and Loans and Advances given are in excesses of the limit provided under Section 186 of the Companies Act, 2018.  
Comment:- The company is passing necessary resolution in the Annual General Meeting under section 186 of the Act.
5. MrAkshitLakhani and MrVardhman Shah were disqualified by MCA for being director in Company having not filed returns continuous period of three years, falling disqualification under section 164 read with section 167 of the Companies Act, 2013, However the company has filed petition with NCLT for restoration of Company strike off by MCA and activated the Din Disqualification of Directors and activation of CIN No. of Company which was strike off by MCA for non-filing of returns.  
Comment:The Company has already filed application for restoration of company which is being strike off from the National Company Law Tribunal. The Company has also completed filing of all pending returns. The status of Mr.AkshitLakhani and Mr.Vardhman Shah is now showing active on the MCA Portal.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

There are no orders passed by the regulators or courts or Tribunals impacting the going concern status and company's operation in future.

## **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

During this period under the provisions under section 135 in respect of CSR is not applicable to the Company. Hence, the Directors have not constituted the Corporate Social Responsibility (CSR) Committee.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:**

### **A. Conservation of Energy, Technology Absorption**

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act,2013 in respect of Conservation of Energy and Technology Absorption have not been furnished as the same is not applicable to the Company during the year under review.

### **B. (a) Conservation of Energy measures taken: - N.A.**

### **(b) Technology Absorption measures: - N.A.**

### **C. Foreign Exchange Earnings And Outgo**

There were no foreign exchange earnings and outgo during the year under review.

### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding remuneration of Directors, Key Managerial Personnel and other related disclosures are as below

1. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Operating Officer, Company Secretary and ratio of the remuneration of each Director to the Median remuneration of the employees of the Company for the financial year 2017-18:

<b>Name of Director/KMP</b>	<b>Percentage increase in remuneration</b>	<b>Ratio of remuneration of each Director / KMP to Median remuneration of employees</b>
Vardhman C Shah	N.A.	N.A.
Akshit B Lakhani	N.A.	N.A.
Dipakkumar P Pandya	N.A.	N.A.
Paresh M Valani	N.A.	N.A.
Rima Bandyopadhyay	N.A.	N.A.

2. The percentage increase in the median remuneration of employees in the financial year ended March 31, 2018: 0%
3. The number of permanent employees on the rolls of the Company: 1
4. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof:-

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was 0%, whereas the increase in the managerial remuneration for the same financial year was Nil%.

The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per the market trend.

5. Affirmation that the remuneration is as per the remuneration policy of the Company:

Remuneration to Directors, Key Managerial Personnel and other employees is as per the remuneration policy of the Company.

Information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 viz Details of Top Ten Employees of the Company in terms of remuneration drawn during 2017-18 is not applicable as none of the employee is drawing remuneration in excess of the limits specified in the said Rule 5(2).

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There were no material changes and commitments affecting the financial position of the Company which have occurred between end of the financial year and the date of this report.

**EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT 9 forms part of this Annual Report and is annexed herewith and marked as “**Annexure 3**”.

**OTHER DISCLOSURES**

- (i) Your Company has not issued any shares with differential voting.
- (ii) There was no revision in the financial statements.
- (iii) Your Company has not issued any sweat equity shares.

**PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

**ACKNOWLEDGEMENT:**

The Board of Directors wishes to express their deep sense of appreciation and gratitude to all Employees, Bankers and Clients for their assistance, support and co-operation extended by them. In the end, the Directors, wish to sincerely thank all shareholders for their continued support.

**By Order of the Board of Directors  
For Indo Euro Indchem Limited**

Sd/-

Sd/-

**Place: Osmanabad**

**Date: 13.08.2018**

**Akshit B Lakhani  
Director**

**Din No. 00334241**

**Vardhaman C. Shah  
Director**

**Din No. 00334194**

## Annexure to the Board's Report.

### “Annexure 1”

#### MANAGEMENT DISCUSSION AND ANALYSIS

(1) **OPERATING AND FINANCIAL PERFORMANCE:-**

Operating & Financial performance has been given in details in Directors Reports.

(2) **Industry Structure and Development:-**

Indo Euro Indchem Limited (Previously known as RinkuPolychem Limited) is operating in Pigment and Organic Chemical. RPL continues to build strong relationships with key customers. The Company with the objective to grow started venturing into new business and also started trading of laminates, Base Paper etc. Company Changed the Name to Indo Euro Indchem Ltd in order to grow its new business of importing Base paper, Press Plate, And Tissue paper, laminates etc. The companies Major Imports are from Europe, Japan and China.

(3) **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 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 up gradation, severe 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.

(4) **Segment-wise or product-wise performance :-**

The Company is manufacturing, trading in specialty Chemicals, poultry feed, Base Paper, Tissue paper & Press Plate.

(5) **Business Outlook :-**

General outlook of the company for the year 2017-2018 is encouraging. The company with its limited resources has increased its turnover from Rs. 3,08,68,423/- to Rs. 7,65,24,313/-. The Company has incurred profit of Rs. 6,04,445/- as compared to previous year profit of Rs. 7,70,229/-.

(6) **Risks and Concerns :-**

Your company is working essentially in global market place. Currently the MIDC is not able to provide the common Effluent Treatment plant which is necessary for the Manufacturing of the pigments and also necessary from the environment point of view, also the infrastructure provided at the MIDC like Water is not available and hence it causes a huge increase in manufacturing cost because of which we cannot be competitive in the market.. However the capability of providing quality services, timely completing of projects and the excellent performance will provide the competitive edge to the Company's business in this sector.

**(7) Internal Control System and their adequacy :-**

The management feels that the present internal controls in place are sufficient considering the complexity, size and nature of operations of the company.

Besides above, Audit Committee which has already been formed by your company under the Companies Act 2013 and The Company had laid down guidelines, policies, procedures and structure to enable implementation of appropriate internal financial controls across the company.

**(8) Financial Performance with respect to Operation Performance :-**

The Company will see envisage its growth in future because of continuous hard core efforts put by your Company's management to achieve the pace of development, towards which your company marches. However much requires doing than what has been done due to huge brought forward losses.

**(9) Material Developments in Human Resources / Industrial Relations front including number of people employed :-**

There are no material developments in Human Resources under review. The overall industrial relations during the year under review were peaceful. The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The industrial relations with workers at plant and officers are cordial during the year under review. All issues pertaining to staff matters are resolved in harmonious and cordial manner.

**(10) Cautionary Statements:-**

Estimate and expectation made in the report may differ from actual performance due to various economic condition, government policies and other related factors.



**Annexure to the Board's Report.**

**“Annexure 2”**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

**INDO EURO INDCHEM LIMITED  
MUMBAI  
CIN: L24100MH1990PLC057190**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDO EURO INDCHEM LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder by the Depositories with regard to dematerialization / rematerialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines, to the extent applicable, prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, *except there is delay in submission of intimation of inter-se transfer of shares amongst the promoters;*
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,

2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(Not applicable to the Company during the Audit Period);

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(Not applicable to the Company during the Audit Period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009;(Not applicable to the Company during the Audit Period);

(h) The Securities and Exchange Board of India (Buyback of Securities), Regulation, 2008; ;(Not applicable to the Company during the Audit Period);

(i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;

6. Other Laws applicable specifically to the Company:

- Central Excise Act, 1944 and the rules and regulations made there under
- Customs Act, 1962 and the rules and regulations made there under

The Company is carrying on the trading business only and it has all necessary licenses and registrations to carry on the trading activities.

Further, the number of employees in the company is less than the limit prescribed under the various Industrial Law; hence no industrial or labor law is applicable to the company.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India on meetings of the Board of Directors and General Meeting, notified with effect from July 1, 2015.

2. Listing Agreements entered into by the Company with the Stock Exchange:

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Etc. mentioned above except as below:

1. *The Company has not appointed Company Secretary and Chief Financial Officer as KMP as required under section 203 of Companies Act, 2013 and Compliance Officer as required under regulation 6 of SEBI (LODR) Regulations 2015.*
2. *The company has not complied with the regulation 31(2) of LODR according in respect of convert 100% physical shareholding of promoters in Demat Form.*
3. *The Company has not updated its websites with policies and other information as required under the Companies Act and the Listing Agreement.*
4. *The Investment made and Loans and Advances given are in excesses of the limit provided under Section 186 of the Companies Act, 2018.*
5. *Mr Akshit Lakhani and Mr Vardhman Shah were disqualified by MCA for being director in Company having not filed returns continuous period of three years, falling disqualification under section 164 read with section 167 of the Companies Act, 2013, However the company has filed petition with NCLT for restoration of Company strike off*

*by MCA and activated the Din Disqualification of Directors and activation of CIN No. of Company which was strike off by MCA for non-filing of returns.*

We have not examined Compliance with applicable Financial Laws, like Direct and Indirect Tax Laws, since the same have been subject to review by statutory financial Audit and other designated professionals.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as required under the Companies Act, 2013

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the Board were Unanimous and no dissenting views have been recorded.

We further report that there are proper and adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no specific event /action having major bearing on the Company's affair in pursuance to the above referred laws, rules, regulations, guidelines etc referred to above.

For Anish Gupta & Associates  
Company Secretaries

**Sd/-**

Anish Gupta  
Proprietor

FCS 5733 / CP No. 4092

Place: Mumbai  
Date: 13.08.2018

**Annexure to the Board's Report.**

**“Annexure 2”**

To,  
The Members,  
**INDO EURO INDCHEM LIMITED**  
**MUMBAI**  
**CIN: L24100MH1990PLC057190**

Our report of even date is to be read along with this letter.

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Anish Gupta & Associates  
Company Secretaries

Place: Mumbai  
Date: 13.08.2018

**Sd/-**  
Anish Gupta  
Proprietor  
FCS 5733 / CP No. 4092

**Annexure to the Board's Report.**

**“Annexure 3”**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

i)	CIN	L24100MH1990PLC057190
ii)	Registration Date	11.07.1990
iii)	Name of the Company	INDO EURO INDCHEM LIMITED
iv)	Category/Sub-category of the Company	Public Company having Share Capital
v)	Address of the Registered office & contact details	GOPAL BHAVAN,IIND FLR, BANDARI X LANE, Mumbai landline :- 02472-203497
vi)	Whether listed company	Listed
vii)	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. SHAREX DYNAMICS (INDIA) PVT.LTD. Unit 1, Luthra Industries Premises Andheri -Kurla Road, Safed Pool Andheri (E), Mumbai - 400072. Tel:- 28515606 Email: sharexindia@vsnl.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	CHEMICALS	46691	51%
2	CORRUGATED BOX	17022	32%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: Not Applicable**

SN	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associates	% of shares held	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**a) Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2017				No. of Shares held at the end of the year 31/03/2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	4159450	854300	5013750	55.373	5041650	1000	5042650	55.692	0.319
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	4159450	854300	5013750	55.373	5041650	1000	5042650	55.692	0.319
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	53800	53800	0.594	-	53800	53800	0.594	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-		53800	53800	0.594		53800	53800	0.594	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2000	147900	149900	1.656	1550	147900	149450	1.651	-0.005
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	91752	1610850	1702602	18.804	94880	1596850	1691730	18.684	-0.120
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1279838	780400	2060238	22.754	1277258	765300	2042558	22.558	-0.196
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	10	74200	74210	0.82	10	74200	74210	0.82	0
HUF	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	102	-	102	0.001	0.001
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	1373600	2613350	3986950	44.034	1373800	2584250	3958050	43.714	-0.32
Total Public Shareholding (B)=(B)(1)+(B)(2)	1373600	2667150	4040750	44.628	1373800	2638050	4011850	44.308	-0.32
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	<b>5533050</b>	<b>3521450</b>	<b>9054500</b>	<b>100.00</b>	<b>6415450</b>	<b>2639050</b>	<b>9054500</b>	<b>100</b>	0

**ii) Shareholding of Promoter:**

SN	Shareholder's Name	Shareholding at the beginning of the year 01/04/2017			Shareholding at the end of the Year 31/03/2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	AkshitBalwantraLakhani	45000	0.497	-	45000	0.497	-	-
2	Bhadresh C Shah	105000	1.16	-	0	0	-	-1.16
3	Chhaya Parekh	235200	2.598	-	235200	2.598	-	-
4	JagrutiVaradh aman Shah	651000	7.19	-	651000	7.19	-	-
5	Jasmina Parekh	155000	1.712	-	155000	1.712	-	-
6	Jaysukh C Shah	615000	6.792	-	0	0	-	-6.792
7	LakhaniBalw ant S	77750	0.859	-	79450	0.877	-	0.018
8	Lakhani Vishal Balvantra	46200	0.51	-	47900	0.529	-	0.019
9	MayuriBalwantraLakhani	70000	0.773	-	71700	0.792	-	0.019
10	Milesh P Parekh (Huf)	110400	1.219	-	110400	1.219	-	-
11	Milesh Parekh	314900	3.478	-	314900	3.478	-	-
12	Nilesh P Parekh (Huf)	165200	1.825	-	165200	1.825	-	-
13	Nilesh Parekh	196000	2.165	-	196000	2.165	-	-
14	Kinjal V Shah	18000	0.199	-	18200	0.201	-	0.002
15	Pravinchandra Parekh	189000	2.087	-	189000	2.087	-	-
16	RachitaVardh man Shah	6000	0.066	-	11600	0.128	-	0.062
17	VardhamanC hhaganlal Shah	1674100	18.489	-	2394100	26.441	-	7.952
18	Vardhman C Shah Huf	193000	2.132	-	193000	2.132	-	-
19	Vasantbala Parekh	95000	1.049	-	95000	1.049	-	-
20	Balwantra S LakhaniHuf	70000	0.773	-	70000	0.773	-	-



iii) **Change in Promoters' Shareholding:**

SR No	Shareholder's Name	Shareholding at the beginning of the year 01/04/2017			Shareholding at the end of the Year 31/03/2018			% of total Shares of the company
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	
1	Bhadresh C Shah	105000	1.16	01-04-2017				
				12-05-2017	-105000	SOLD	0	0
	-Closing Balance			31-03-2018			0	0
02	VardhmanChhaganlal Shah	1674100	18.489	01-04-2017				
				12-05-2017	105000	BUY	1779100	19.649
				19-05-2017	525000	BUY	2304100	25.447
				26-05-2017	90000	BUY	2394100	26.441
	Closing Balance			31-03-2018			2394100	26.441
3	LAKHANI BALWANT S	77750	0.859	01-04-2017				
				17-11-2017	1700	BUY	79450	
	Closing Balance			31-03-2018			79450	0.877
4	MAYURI LAKHANI	70000	0.773	01.04.2017				
				17-11-2017	1700	BUY	71700	0.792
	Closing Balance			31-03-2018			71700	0.792
5	LAKHANI VISHAL BALWANTRAI	46200	0.51	01.04.2017				
				17-11-2017	1700	BUY	47900	0.529
	Closing Balance			31-03-2018			47900	0.529
6	RACHITA SHAH	6000	0.066	01.04.2017				
				25-08-2017	1000	BUY	7000	0.077
				03-11-2017	4600	BUY	11600	0.128
	Closing Balance			31-03-2018			11600	0.128
7	KINJAL SHAH	18000	0.199	01-04-2017				
				06-10-2017	200	BUY	18200	0.201
	Closing Balance			31-03-2018			18200	0.201
8	JAYSUKH C SHAH	615000	6.792	01-04-2017				
				19-05-2017	-525000	SOLD	90000	0.994
				26-05-2017	-90000	SOLD	0	0

	Closing Balance			31-03-2018			0	0
(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):								
sr .no	Name	No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company
1	PRATAP KAMDAR	385000	4.252	01-04-2017				
	-Closing Balance			31-03-2018	NO CHANGE		385000	4.252
2	IND GLOBAL SHARES SECURITIES LTD	128100	1.415	01.04.2017				
	Closing Balance			31-03-2018	NO CHANGE		128100	1.415
3	CHANDRU BHARWANI KAMDAR	73600	0.813	01-04-2017				
	Closing Balance			31-03-2018	NO CHANGE		73600	0.813
4	RAJESH CHHAGANLAL BHANSALI	53457	0.59	01-04-2017	NO CHANGE			
				02-02-2018	620	BUY	54077	0.597
	-Closing Balance			31-03-2018			54077	0.597
5	AJAY PRATAPRAI KAMDAR	50000	0.552	01-04-2017				
	-Closing Balance			31-03-2018	NO CHANGE		50000	0.552
6	MAHENDRA J MODI	49000	0.541	01-04-2017				
	-Closing Balance			31-03-2018	NO CHANGE		49000	0.541
7	NIKETA M MODI	48600	0.537	01-04-2017				
	-Closing Balance			31-03-2018	NO CHANGE		48600	0.537
8	SIDDHI M MODI	47500	0.525	01-04-2017				
	-Closing Balance			31-03-2018	NO CHANGE		47500	0.525
9	CHANDRAKANT J MODI	47400	0.523	01-04-2017				

	-Closing Balance			31-03-2018	NO CHANGE		47400	0.523
10	MILONI VIPUL MODI	47200	0.521	01-04-2017				
	-Closing Balance			31-03-2018	NO CHANGE		47200	0.521

**iv) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Vardhaman Chhaganlal Shah				
	At the beginning of the year	1674100	18.489		
	Bought on 12/05/2017			105000	19.649
	Bought on 19/05/2017			525000	25.447
	Bought on 26/05/2017			90000	26.441
	At the end of the year	2394100	26.441	2394100	26.441
2	Akshit Balwantrao Lakhani				
	At the beginning of the year	45000	0.497		
	Date-wise Increase/Decrease in the shareholding during the year specifying the reasons for increase/decrease e.g. allotment/transfer/bonus/sweat equity etc:	-	-		
	At the end of the year			45000	0.497
3	*Jaysukh Shah Chhaganlal				
	At the beginning of the year	615000	6.792		
	Sold on 19/05/2017			-525000	0.994
	Sold on 26/05/2017			-90000	0
	At the end of the year	0	0	0	0

\*Jaysukh C Shah resigned from the office of director w.e.f 22<sup>nd</sup> April, 2017.

**V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment:**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-

Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	NIL	NIL	NIL	NIL

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

There is no remuneration paid during the period under review.

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		----	----	----	---	
1	Gross salary	N.A.	N.A.	N.A.	N.A.	N.A.
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	N.A.	N.A.	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.	N.A.	N.A.
4	Commission - as % of profit - others, specify...	N.A.	N.A.	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (A)	N.A.	N.A.	N.A.	N.A.	N.A.
	Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.

### B. Remuneration to other directors :

There is no remuneration paid during the period under review.

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		---	---	---	---	
1	Independent Directors					
	Fee for attending board committee meetings	N.A.	N.A.	N.A.	N.A.	N.A.
	Commission	N.A.	N.A.	N.A.	N.A.	N.A.
	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (1)	N.A.	N.A.	N.A.	N.A.	N.A.
2	Other Non-Executive Directors	N.A.	N.A.	N.A.	N.A.	N.A.
	Fee for attending board committee meetings	N.A.	N.A.	N.A.	N.A.	N.A.
	Commission	N.A.	N.A.	N.A.	N.A.	N.A.
	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (2)	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (B)=(1+2)	N.A.	N.A.	N.A.	N.A.	N.A.
	Total Managerial Remuneration	N.A.	N.A.	N.A.	N.A.	N.A.

Overall Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.
--------------------------------	------	------	------	------	------

**C. Remuneration to key managerial personnel other than MD/MANAGER/WTD :**

There is no remuneration paid during the period under review.

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	N.A.	N.A.	N.A.	N.A.
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.	N.A.
	- as % of profit	N.A.	N.A.	N.A.	N.A.
	others, specify...	N.A.	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	N.A.	N.A.	N.A.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties / punishment / compounding of offences for year ended 31<sup>st</sup> March, 2018.

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

**By Order of the Board of Directors  
For Indo Euro Indchem Limited**

Place: Osmanabad  
Date: **13.08.2018**

**Sd/-  
Akshit B Lakhani  
Director  
Din No. 00334241**

**Sd/-  
Vardhaman C. Shah  
Director  
Din No. 00334194**

## **Independent Auditor's Report**

**To The Members of**

**INDO EURO INDCHEM LIMITED**

### **Report on the Standalone Financial Statements**

We have audited the accompanying Ind AS financial statements of **INDO EURO INDCHEMLIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial Statements").

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the relevant rules issued thereunder.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

***Basis for Qualified Opinion***

*Refer Note 2 (III)*

*The Company has not made any provision for old receivables outstanding for than 1 year as the management is putting efforts for recovery or settlement with the parties.*

***Qualified Opinion***

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph*, the aforesaid Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March, 2018, and its Profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date

**Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("The Order") issued by the Government of India in terms of sub section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) *Except for the effects of the matter described in the Basis for Qualified Opinion Paragraph*, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanation given to us:



- i. The Company does not have any pending litigations which shall impact its financial positions.
- ii. The Company does not have any long terms contracts for which provisions are required to be made.
- iii. The Company is not liable to transfer any amount to the Investor Education and Protection Fund.

For VORA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(ICAI Firm Reg. No.: 111612W)  
sd/-

MAYUR A. VORA  
PARTNER  
(Membership No. 030097)

PLACE: MUMBAI  
DATED: 28/05/2018

## Annexure A to the Auditors' Report

### (Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date for the year ended 31<sup>st</sup> March 2018)

- (i) In respect of its Fixed Assets
  - (a) The records showing full particulars including quantitative details and situation of fixed assets are under process of updation.
  - (b) As explained to us and according to the practice generally followed by the Company, all the fixed assets have been verified in a periodical manner by the management during the year and no material discrepancies were noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on physical verification.
  - (c) The title deeds of immovable properties are held in the name of the Company.
  
- (ii) In respect of inventories  
In our opinion and according to the information and explanation given to us, we are informed that inventories have been physically verified by the management at reasonable intervals and No material discrepancies have been notified between the physical stock and book records.
  
- (iii) In respect of loans granted, secured or unsecured, the Company has granted Loans to 2 parties covered in the register maintained u/s 189 of the Companies Act, 2013;
  - (a) In our opinion and according to the information and explanation given to us, the terms and conditions of the grants of such loans are prima facie not prejudicial to the company's interest.
  - (b) In respect of aforesaid loan, the schedule of repayment of principal and interest are mutually decided and the same are not prejudicial to the company's interest, and the repayments are as per terms and conditions.
  - (c) In respect of the aforesaid loans, the principal and interest are not overdue.
  
- (iv) In respect of loans, investments, guarantees and securities, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied, as applicable.
  
- (v) The Company has not accepted any deposits from the public within the meaning of Section 73 to Section 76 of the Companies Act 2013.
  
- (vi) The Central Government of India has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013, in respect of activities carried on by the Company.
  
- (vii) In respect to statutory dues
  - (a) According to the records of the Company, the undisputed statutory dues under Income tax, Goods and Service Tax and other Statutory Dues as applicable to it have been generally regularly deposited with the appropriate authorities.  
According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there were no dues of Income Tax, Goods and Service Tax and other Statutory Dues as applicable to it, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has not defaulted in repayment of dues to any bank or financial institution during the year under review.
- (ix) In our opinion and according to the information and explanations given to us the Company, the Company has not raised any funds by way of Initial Public Offer or obtained term loans during the year.
- (x) According to the information and explanation given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanation given to us, The Company has not paid any managerial remuneration to any key management personnel during the year under review.
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of “the Order” are not applicable to the Company.
- (xiii) According to the information and explanations given to us, the transactions with related parties are in compliance with section 177 and section 188, as applicable, during the year under review.
- (xiv) The Company has not made any preferential allotment of shares or Debentures during the year. Therefore, the provisions of clause 3 (xiv) of “the Order” are not applicable to the Company.
- (xv) According to the information and explanations given to us, there are no non cash transactions with Directors or any persons connected with them during the year under review.
- (xvi) According to the information and explanations given to us, the company is not required to get registered under section 45-IA of the Reserve Bank of India Act, 1934.

For VORA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(ICAI Firm Reg. No.: 111612W)

sd/-

MAYUR A. VORA  
PARTNER  
(Membership No. 030097)

PLACE: MUMBAI  
DATED: 28/05/2018

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INDO EURO INDCHEM LIMITED (FORMERLY KNOWN AS RINKU POLYCHEM LIMITED).**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **INDO EURO INDCHEM LTD** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:-

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that

receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For VORA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(ICAI Firm Reg. No.: 111612W)  
sd/-

MAYUR A. VORA  
PARTNER  
(Membership No. 030097)

PLACE: MUMBAI  
DATED:28/05/2018

**INDO EURO INDCHEM LIMITED**
**BALANCE SHEET AS AT 'March 31, 2018 ( as per IND -AS)**
*All amounts in Rupees, unless otherwise stated*

	Notes	As at	As at	As at
		March 31, 2018	March 31, 2017	April 01, 2016
<b>I ASSETS</b>				
<b>Non-Current Assets</b>				
a) Property, Plants & Equipment	3	4,273,564	5,877,424	6,622,693
b) Financial Assets				
i) Investments	4	5,002,166	5,198,312	5,241,284
ii) Loans	5	54,921,908	46,756,374	19,657,747
c) Other Non Current Assets	6	3,609,481	1,204,002	7,909,246
<b>Total Non-Current Assets</b>		<b>67,807,119</b>	<b>59,036,112</b>	<b>39,430,970</b>
<b>Current Assets</b>				
a) Inventories	7	12,602,296	10,959,717	16,398,759
b) Financial Assets				
i) Trade Receivables	8	54,404,434	32,085,618	46,555,821
ii) Cash & Cash Equivalents	9	1,137,941	2,333,004	2,786,749
c) Other Current Assets	10	2,804,463	1,207,763	928,696
<b>Total Current Assets</b>		<b>70,949,134</b>	<b>46,586,102</b>	<b>66,670,025</b>
<b>TOTAL ASSETS</b>		<b>138,756,253</b>	<b>105,622,214</b>	<b>106,100,995</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
a) Equity Share Capital	11	90,347,000	90,347,000	90,347,000
b) Other Equity		11,533,749	10,929,304	10,159,075
<b>Total Equity</b>		<b>101,880,749</b>	<b>101,276,304</b>	<b>100,506,075</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
a) Deferred Tax Liabilities ( Net)	12	596,845	733,868	978,704
<b>Total Non-Current Liabilities</b>		<b>596,845</b>	<b>733,868</b>	<b>978,704</b>
<b>Current Liabilities</b>				
a) Financial Liabilities				
i) Trade Payables	13	30,682,934	2,517,491	3,682,889
b) Other Current Liabilities	14	4,048,144	323,823	564,815
c) Current Provisions	15	1,547,581	770,729	368,512
<b>Total Current Liabilities</b>		<b>36,278,659</b>	<b>3,612,043</b>	<b>4,616,216</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>138,756,253</b>	<b>105,622,214</b>	<b>106,100,995</b>
<b>General Information</b>	1			
<b>Significant accounting policies and notes to the financial statements</b>	2			
As per our report of even date attached				
For VORA & ASSOCIATES CHARTERED ACCOUNTANTS (ICAI FRNo.: 111612W)		For and on behalf of the Board of Directors		
MAYUR A. VORA PARTNER (Membership No.: 030097)	VARDHMAN C SHAH DIN NO - 00334194 MANAGING DIRECTOR	AKSHIT B LAKHANI DIN NO -00334241 DIRECTOR		
Place: Mumbai Date: 28th May, 2018	Place: Mumbai Date: 28th May, 2018			

**INDO EURO INDICHEM LIMITED****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 'March 31, 2018***All amounts in Rupees, unless otherwise stated*

	NOTES	Year ended March 31, 2018	Year ended March 31, 2017
<b>I Revenue from Operations</b>	<b>16</b>	76,524,313	30,868,423
<b>II Other Income</b>	<b>17</b>	3,964,353	2,785,241
<b>III Total Revenue (I+II)</b>		<b>80,488,666</b>	<b>33,653,664</b>
<b>IV Expenses</b>			
Purchase of Trading Goods		68,979,273	24,773,612
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	<b>18</b>	(1,642,579)	3,634,814
Employee Benefits Expense	<b>19</b>	393,230	393,104
Depreciation and amortization expense	<b>3</b>	475,704	745,269
Other Expenses	<b>20</b>	10,842,618	3,136,283
<b>Total Expenses</b>		<b>79,048,246</b>	<b>32,683,082</b>
<b>V Profit before exceptional items and tax (III-IV)</b>		<b>1,440,420</b>	<b>970,581</b>
<b>VI Exceptional items</b>		-	-
<b>VII Profit before and tax (V - VI)</b>		<b>1,440,420</b>	<b>970,581</b>
<b>VIII Tax expense:</b>			
(1) Current tax		776,852	402,142
(2) Deferred tax		(137,023)	(244,762)
<b>IX Profit after tax (VII-VIII)</b>		<b>800,591</b>	<b>813,201</b>
<b>X OTHER COMPREHENSIVE INCOME</b>			
i) Item that will not be reclassified to Profit or Loss		(196,146)	(42,972)
ii) Income tax relating to items that will not be reclassified to Profit OR Loss		-	-
<b>XI Profit From after Other Comprehensive Income (IX-X)</b>		<b>(196,146)</b>	<b>(42,972)</b>
<b>XII Profit for the Year (X + XI)</b>		<b>604,445</b>	<b>770,229</b>
<b>XIII Earnings per equity share:</b>			
(1) Basic		0.07	0.09
(2) Diluted		0.07	0.09
<b>General Information</b>	<b>1</b>		
<b>Significant accounting policies and notes to the financial statements</b>	<b>2</b>		

As per our report of even date attached

For VORA & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 (ICAI FRNo.: 111612W)

**For and on behalf of the Board of Directors**

MAYUR A. VORA  
 PARTNER  
 (Membership No.: 030097)

VARDHMAN C SHAH  
 DIN NO - 00334194  
 MANAGING DIRECTOR

AKSHIT B LAKHANI  
 DIN NO -00334241  
 DIRECTOR

Place: Mumbai  
 Date: 28th May, 2018

Place: Mumbai  
 Date: 28th May, 2018

**INDO EURO INDICHEM LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2018**

*All amounts in Rupees, unless otherwise stated*

	<b>April 01, 2017 To March 31, 2018</b>	<b>April 01, 2016 To March 31, 2017</b>
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit Before Taxation</b>	1,440,420	970,581
<b>Adjustments for:</b>		
Depreciation/Impairment	475,704	745,269
Loss on sale of Car	873,156	
Interest received	(3,964,353)	(2,785,000)
<b>Operating Profit Before Working Capital Changes</b>	<b>(1,175,073)</b>	<b>(1,069,150)</b>
<b>Adjustments for changes in working capital:</b>		
Increase / (Decrease) in Trade Payable	28,165,443	(1,165,398)
Increase / (Decrease) in Other Current Liabilities	3,724,321	(240,992)
(Increase) / Decrease in Trade Receivables	(22,318,816)	14,470,203
(Increase) / Decrease in Inventories	(1,642,579)	5,439,042
(Increase) / Decrease in Other Non Current Assets	(2,405,479)	6,705,244
(Increase) / Decrease in Other Current Assets	(967,293)	175,455
<b>Cash Generated / (Used In) from Operations</b>	<b>3,380,524</b>	<b>24,314,404</b>
Taxes Paid (Net)	(629,405)	(454,522)
<b>Net Cash generated from / (Used In) Operating Activities</b>	<b>2,751,119</b>	<b>23,859,882</b>
	-	-
	<b>2,751,119</b>	<b>23,859,882</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Sale of Fixed Assets	255,000	-
<b>Net Cash (Used In) Investing Activities</b>	<b>255,000</b>	-
<b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Interest received	3,964,353	2,785,000
<b>Net Cash (Used In) /generated from Financing Activities</b>	<b>3,964,353</b>	<b>2,785,000</b>
<b>Net increase in Cash and Cash Equivalents (A+B+C)</b>	<b>6,970,472</b>	<b>26,644,882</b>
Cash and Cash Equivalents as at the beginning of the year	2,333,004	2,786,749
Cash and Cash Equivalents as at the end of the year	1,137,941	2,333,004
	<b>(1,195,062)</b>	<b>(453,745)</b>
<b>Cash and Cash Equivalents comprise of:</b>		
Cash in Hand	1,038,691	660,559
Balances with Scheduled Banks in:		
- Current Accounts	99,250	1,672,445
	<b>1,137,941</b>	<b>2,333,004</b>

**Notes:**

- The above cash flow statement has been prepared under the "Indirect Method" set out in Ind AS 7, "Cash Flow" issued by the Institute of Chartered Accountants of India.
- Cash and cash equivalents represent cash & bank balances and Other Bank Balances
- Previous Year's figures have been regrouped and rearranged, wherever necessary.

As per our report of even date attached

For VORA & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 (ICAI FRNo.: 111612W)

MAYUR A. VORA  
 PARTNER  
 (Membership No.: 030097)

Place: Mumbai  
 Date: 28th May, 2018

**For and on behalf of the Board of Directors**

VARDHMAN C SHAH  
 DIN NO - 00334194  
 MANAGING DIRECTOR

AKSHIT B LAKHANI  
 DIN NO -00334241  
 DIRECTOR

Place: Mumbai  
 Date: 28th May, 2018



**INDO EURO INDICHEM LIMITED**  
**NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018**

**Notes 3 - Property, Plants & Equipment**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1.4.2017	Additon in 2017-18	Deduction	As at 31.3.2018	As at 1.04.2017	Depreciation for the year	Deduction	Up to 31.3.2018	As at 31.3.2018	As at 31.3.2017
<b>A. Tangible Assets</b>										
LAND	444,380	-	-	444,380	-	-	-	-	444,380	444,380
BUILDING- Factory	13,140,072.00	-	-	13,140,072	9,296,013.00	397,564.00	-	9,693,577	3,446,495	3,844,059
FURNITURE & FIXTURE	3,994,973.00	-	-	3,994,973	3,534,144.00	78,140.00	-	3,612,284	382,689	460,829
VEHICLES	3,230,064.00	-	3,230,064	-	2,101,908.00	-	2,101,908	-	-	1,128,156
<b>Total Tangible Assets</b>	<b>20,809,489</b>	<b>-</b>	<b>3,230,064</b>	<b>17,579,425</b>	<b>14,932,065</b>	<b>475,704</b>	<b>2,101,908</b>	<b>13,305,861</b>	<b>4,273,564</b>	<b>5,877,424</b>

**INDO EURO INDICHEM LIMITED**  
**NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2017**

*All amounts in Rupees, unless otherwise stated*

**Notes 3 - Property, Plants & Equipment**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1.4.2016	Additon in 2016-17	Deduction	As at 31.3.2017	As at 1.04.2016	Depreciation for the year	Deduction	Up to 31.3.2017	As at 31.3.2017	As at 31.3.2016
<b>A. Tangible Assets</b>										
LAND	444,380	-	-	444,380	-	-	-	-	444,380	444,380
BUILDING- Factory	13,140,072.00	-	-	13,140,072	8,898,449.00	397,564.00	-	9,296,013	3,844,059	4,241,623
FURNITURE & FIXTURE	3,994,973.00	-	-	3,994,973	3,456,003.00	78,141.00	-	3,534,144	460,829	538,970
VEHICLES	3,230,064.00	-	-	3,230,064	1,832,344.00	269,564.00	-	2,101,908	1,128,156	1,397,720
<b>Total Tangible Assets</b>	<b>20,809,489</b>	<b>-</b>	<b>-</b>	<b>20,809,489</b>	<b>14,186,796</b>	<b>745,269</b>	<b>-</b>	<b>14,932,065</b>	<b>5,877,424</b>	<b>6,622,693</b>

**INDO EURO INDICHEM LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

*All amounts in Rupees, unless otherwise stated*

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Notes 4 - NON CURRENT INVESTMENT</b>			
Invest In Equity Shares (Unquoted) (At Fair Value)			
i) 4490 Equity Shares of Silicon Vyapar Pvt Ltd	532,694	606,580	601,331
ii) 2500 Equity Shares of Sangli Co-op Bank Ltd	25,000	25,000	25,000
iii) 10000 Equity Shares of Infinity Vincom Pvt Ltd	725,076	708,173	696,849
iv) 10000 Equity Shares of Prime Décor Laminate Pvt Ltd	3,719,396	3,858,558	3,918,104
	<b>5,002,166</b>	<b>5,198,312</b>	<b>5,241,284</b>
<b>Notes 5 - Other Loan Asset</b>			
Loans to related Parties	6,666,512	6,614,128	5864402
Loans to Other Parties	48,255,396	40,142,246	13793345
	<b>54,921,908</b>	<b>46,756,374</b>	<b>19,657,747</b>
<b>Notes 6 - Other Non Current Asset</b>			
Security Deposits	562,652	629,815	629815
Advances Recoverable in cash or kind or for value to be received	3,046,829	574,187	7279431
	<b>3,609,481</b>	<b>1,204,002</b>	<b>7,909,246</b>
<b>Notes 7 - Inventories</b>			
(As Valued & Certified By Management)			
Raw Materials	-	-	1,789,433
Packing Materials	-	-	14,795
Finished Goods	-	-	3,298,767
Traded Goods	12,602,296	10,959,717	11,295,764
	<b>12,602,296</b>	<b>10,959,717</b>	<b>16,398,759</b>
<b>Notes 8 - Trade Receivables</b>			
(Unsecured and considered good)			
Debtors Outstanding For a Period Exceeding Six Months	22,864,239	30,848,598	15,642,958
Other Debtors	31,540,195	1,237,020	30,912,863
	<b>54,404,434</b>	<b>32,085,618</b>	<b>46,555,821</b>
<b>Notes 9 - Cash and Cash Equivalents</b>			
Cash in Hand	1,038,691	660,559	937908
Balances with Banks in:			
- Current Accounts	99,250	1,672,445	1848841
	<b>1,137,941</b>	<b>2,333,004</b>	<b>2,786,749</b>
<b>Notes 10 - Other Non Current Assets</b>			
(Unsecured and considered good, unless otherwise stated)			
Advances recoverable in Cash or Kind or for value to be received	-	145,794	321249
GST Input Credit	1,113,087		
Income Tax Advance	1,691,376	1,061,969	607447
	<b>2,804,463</b>	<b>1,207,763</b>	<b>928,696</b>

**INDO EURO INDICHEM LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

*All amounts in Rupees, unless otherwise stated*

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016
<b>Notes 11 - Share Capital</b>					
<b>a Authorised:</b> 1,00,00,000 Equity Shares of Rs. 10/- each	<u>100,000,000</u>		<u>100,000,000</u>		100,000,000
	<u>100,000,000</u>		<u>100,000,000</u>		100,000,000
<b>b Issued. Subscribed and Paid-up:</b>  9054500 Equity shares of Rs. 10/- each. Less: Allotment money in arrears.	90,545,000 <u>198,000</u>		90,545,000 <u>198,000</u>		90,545,000 <u>198,000</u>
	<u>90,347,000</u>		<u>90,347,000</u>		<u>90,347,000</u>
<b>c Par Value per share is Rs. 10</b>					
<b>d Reconciliation of the number of shares outstanding at the beginning and at the end of the</b>					
<b>Particulars</b>	<b>No.</b>	<b>Rs.</b>	<b>No.</b>	<b>Rs.</b>	
Shares outstanding at the beginning of the year	9,054,500	90545000	9,054,500	90545000	
Shares Issued during the year	0	0	0	0	
Shares bought back during the year	0	0	0	0	
Any other movement (Call Money Received )	0	0	0	0	
<b>Shares outstanding at the end of the year</b>	<b>9,054,500</b>	<b>90,545,000</b>	<b>9,054,500</b>	<b>90,545,000</b>	
<b>e shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held:</b>					
<b>Name of the shareholder</b>	<b>No. of shares</b>	<b>% of holding</b>	<b>No. of shares</b>	<b>% of holding</b>	
a) Shri Jaysukh C Shah	-	-	615,000	6.79	
b) Shri Vardhman C Shah	2,394,100	26.44	1,674,100	18.49	
c) Mrs Jagruti V. Shah	651,000	7.19	651,000	7.19	
<b>f For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:</b>	Aggregate No. of Shares (for last 5 Financial Years)				
<b>Particulars</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	Nil				
Fully paid up by way of bonus shares	Nil				
Shares bought back	Nil				
<b>g Unpaid Calls</b>	<b>No. of shares</b>	<b>Rs.</b>	<b>No. of shares</b>	<b>Rs.</b>	
By Directors	0	0	0	0	
By Officers	0	0	0	0	
By Others	39600	198000	39600	198000	
<b>Notes 11 - OTHER EQUITY</b>					
<b>a. Capital Reserves:</b>					
<b>State Special Capital Incentive Received</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	
Opening Balance	3,000,000		3,000,000		3,000,000
(+) Current Year Transfer	-		-		
(-) Written back in the current year	-		-		
Closing balance		<u>3,000,000</u>		<u>3,000,000</u>	<u>3,000,000</u>
<b>b. Other Comprehensive Income</b>					
Opening Balance	388,412		431,384		
(+) Current Year Transfer	(196,146)		(42,972)		
(-) Transfer to Other Reserves			-		
Closing balance		<u>192,266</u>		<u>388,412</u>	<u>431,384</u>
<b>c. Profit &amp; Loss Account</b>					
Opening Balance	7,540,892		6,727,691		
(+) Current Year Transfer	800,591		813,201		
(-) Transfer to Other Reserves			0		
Closing balance		<u>8,341,483</u>		<u>7,540,892</u>	<u>6,727,691</u>
<b>Total [a+b+c]</b>		<u>11,533,749</u>		<u>10,929,304</u>	<u>10,159,075</u>

**INDO EURO INDCHEM LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

*All amounts in Rupees, unless otherwise stated*

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Notes 12 - Deffered Tax Liabilities (Net)</b>	596,845	733,868	978,704
	<b>596,845</b>	<b>733,868</b>	<b>978,704</b>
<b>Notes 13 - Trade Payables</b>			
Sundry Creditors:			
a) Micro and small enterprises *	-	-	
b) Others	30,682,934	2,517,491	3,682,889
* [Determined to the extent such particulars have been identified on the basis of information available with the Company. This has been relied upon by the auditors]			
	<b>30,682,934</b>	<b>2,517,491</b>	<b>3,682,889</b>
<b>Notes 14 - Other Current Liabilities</b>			
Statutory liabilities	1,341,253	323,823	564,815
Advances received	2,706,891		-
	<b>4,048,144</b>	<b>323,823</b>	<b>564,815</b>
<b>Notes 15 - Current Provisions</b>			
Provision for Income Tax (Net of Taxes Paid)	1,547,581	770,729	368,512
	<b>1,547,581</b>	<b>770,729</b>	<b>368,512</b>

**INDO EURO INDCHEM LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

*All amounts in Rupees, unless otherwise stated*

	<b>Year ended March 31, 2018</b>	<b>Year ended March 31, 2017</b>
<b>Notes 16 - Revenue from Operations</b>		
Sale of Products	76,524,313	30,868,423
	<u>76,524,313</u>	<u>30,868,423</u>
<b>Notes 17 - Other Income</b>		
Sundry Balance W/off		241
Interest Income	3,964,353	2,785,000
	<u>3,964,353</u>	<u>2,785,241</u>
<b>Notes 18 - Changes in inventories of finished goods, work-in-progress and Stock-in-Trade</b>		
<b>Closing Stock</b>		
- Finished Goods	-	-
- Stock in Trade	12,602,296	10,959,717
	12,602,296	10,959,717
<b>Opening Stock</b>		
- Finished Goods		3,298,767
- Stock in Trade	10,959,717	11,295,764.73
	<u>10,959,717</u>	<u>14,594,532</u>
	<u>(1,642,579)</u>	<u>3,634,814</u>
<b>Notes 19 - Employee Benefit Expense</b>		
Salaries and Wages	370,885	326,915
Staff Welfare Expenses	22,345	66,189
	<u>393,230</u>	<u>393,104</u>
<b>Notes 20 - Other Expenses</b>		
Balances written off	163,959	-
Bank Charges	9,032	3,860
Clearing & Forwarding Charges	272,692	-
Commission	6,646,000	1,822,200
Custodian Fees	60,023	74,149
Interest on Late payment of Statutory Dues	16,963	-
Loss on sale of Vehicle	873,156	-
Miscellaneous Expenses	180,169	243,422
Motor Car Expenses	47,138	116,198
Postage & Telephone	6,430	93,620
Printing & Stationery	23,056	21,587
Professional Fees	104,000	25,573
Rent	1,260,000	-
Repairs to Building	411,130	28,745
Repairs to Others	30,850	133,631
Share Transfer Agent & Listing Fees	404,652	331,771
Travelling & Conveyance	148,550	142,255
Payment to Auditor		
- Statutory Audit	184,818	99,272
	<u>10,842,618</u>	<u>3,136,283</u>

**INDO EURO INDCHEM LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Related Party Disclosures :**

Annexure 1

Companies in the group have entered into transactions with the following related parties as identified by the management and relied upon by the Auditors.

a) **List of related parties:**

- i) **Holding Company**  
-
- ii) **Subsidiary Companies**  
-
- iii) **Enterprises over which key management personnel and their relatives have significant influence:**  
Silicon Vyapar Pvt. Ltd.  
Gadia Mercantile Pvt. Ltd.  
Infinity Vincon Pvt Ltd.  
Vishal Enterprises  
Vitrag Assocaites
- iv) **Directors, Key Management Personnel and their relatives**  
Vardhman Shah  
Akshit Lakhani

b) **The following transactions were carried out with the related parties in the ordinary course of business as disclosed in the audited accounts of the individual companies.**

Sr. No.	Nature of Transactions	Current Year			Previous Year		
		Holding Company	Enterprises over which key management personnel and their relatives has significant influence	Key Personnel and their Relatives	Holding Company	Enterprises over which key management personnel and their relatives has significant influence	Key Personnel and their Relatives
1	<b>Income</b> Sales Interest		- 412,172			1,872,000	
2	<b>Outstanding as at the Balance Sheet Date</b> <u>Receivables</u> <u>Payables</u> <u>Loans Taken</u> <u>Loans Given</u>	- - - -	462,052 706,891 - 6,666,512	- - - -	- - - -	3,660,380 - - 6,614,128	- - - -

## **INDO EURO INDCHEM LIMITED**

Notes on Ind AS financial statements for the year ended 31st March 2018

### A. Background

1. INDO EURO INDCHEM LIMITED (“the Company”) is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is incorporated with an object to carry on the business of manufacturing and trading in paper and other merchandise.

The Company’s shares are listed on Bombay Stock Exchange (BSE) in India.

### B. Basis of preparation

#### 1.1. Statement of compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

For all periods up to and including the year ended 31st March 2016, the Company had prepared its financial statements in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules 2014 (referred as “Indian GAAP”).

These are the Company’s first annual financial statements prepared complying in all material respects with the Ind AS notified under Section 133 of the Companies Act, 2013.

The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at 1st April 2016 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 “First-time adoption of Indian Accounting Standards”.

In accordance with Ind AS 101, “First time adoption of Indian Accounting Standard”, the Company has presented three year figures for balance sheet, two years figures for statement of profit and loss, two years figures for statement of cash flows and two years figures for statement of changes in equity and related notes, including comparative information for all statements presented, in its first Ind AS financial statements. In future periods, Ind AS 1, ‘Presentation of Financial Statements’ requires two comparative periods to be presented for the balance sheet only in certain circumstances

The transition was carried out from Indian GAAP which is considered as the previous GAAP, as defined in Ind AS 101. The reconciliation of effects of the transition from Indian GAAP on

the equity as at 1st April 2016 and 31st March 2017 and on the net profit and cash flows for the year ended 31st March 2018 is disclosed in notes to these financial statements.

**1.2. Going concern**

These financials are prepared on going concern basis on following basis:

- i) Company has earned profits during the year and in the preceding previous years;
- ii) The Company is trading in various paper products, chemicals and other goods. The Management is looking forward for better opportunities to be carried out in the Maharashtra factory.

**1.3. Functional and presentation of currency**

The financial statements are prepared in Indian Rupees which is also the Company's functional currency. All amounts are rounded to the nearest rupees.

**1.4. Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair values, as applicable, have been determined for measurement and / or disclosure purpose using methods as prescribed in "Ind AS 113 Fair Value Measurement".

**1.5. Use of significant accounting estimates, judgement and assumptions**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses for the periods presented. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

**Estimates and Assumptions**

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described as below. The estimates used in the preparation of the financial statements are prudent and reasonable. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.

**C. Significant Accounting Policies**



## 1.6. Presentation and disclosure of financial statement

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 for a company whose financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015.

Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months, however for the purpose of current/ non- current classification of assets and liabilities, period of 12 months have been considered as its normal operating cycle.

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

## 1.7. Property, Plant and Equipment and Depreciation

### Recognition and measurement

Under the previous GAAP, property, plant and equipment were carried at historical cost less depreciation and impairment losses, if any. On transition to Ind AS, the Company has availed the optional exemption under Ind AS 101 and accordingly it has used the carrying value as at the date of transition i.e. 1st April 2016 as the deemed cost of the property, plant & equipment under Ind AS.

Properties plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date.

#### Depreciation and useful lives

Depreciation on the property, plant and equipment (other than freehold land and capital work in progress) is provided on a straight-line method (SLM) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013. Depreciation in respect of fixed assets put to use during the year is provided on a pro-rata basis with reference to the date of installation of assets.

#### De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognised.

### **1.8. Inventories**

Raw Material, packing material, stock in trade, work in progress and finished goods are valued at lower of cost and net realizable value as per Ind AS – 2.

Costs of finished goods, and work in progress are determined by taking material cost (net of Cenvat) and relevant appropriate overheads, but excluding borrowing costs.

### **1.9. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and discounts given to the customers. The Company has applied the guidelines mentioned in Ind AS 18 for Revenue Recognition.

Interest income is recognized on a time proportionate basis taking into account the amount outstanding and the rate as applicable.

Dividend is recognized on actual receipt basis.

### **1.10. Employee benefits**

The Provisions of Provident Fund Act, 1952 and the payment of Gratuity Act, 1972 are not applicable to the Company at present as the number of employees does not exceed the permissible limit. The retirement benefits payable, if any, shall be accounted on actual payment basis.

#### **1.11. Taxes on income**

Tax expense comprises current and deferred tax. Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

The deferred tax resulting from timing difference between taxable and accounting income is accounted using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred Tax asset is recognised and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax.

Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

#### **1.12. Investments in equity instruments at FVTOCI**

The quoted and unquoted Equity investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

There are no equity investments which are held for trading.

#### **1.13. Cash and cash equivalent**

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalent as calculated above also includes outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### **1.14. Cash flow statement**

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

#### **1.15. Provisions, contingent liabilities, contingent assets**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

#### **1.16. Earnings per share**

Basic earnings per share are computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

#### **1.17. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

#### Financial Investments

Non-Current Investments includes Investment in Partnership Firm which is stated at Original Capital invested, Share of profit earned by the Firm and the interest earned on the Capital.

## 2. OTHER ADDITIONAL INFORMATION FORMING PART OF FINANCIAL STATEMENT

- I. Contingent Liability: NIL
- II. Capital Commitment: NIL
- III. The Company had receivables outstanding more than 1 year. However, no provision of doubtful receivables is made in the books of accounts since Management is putting efforts for recovery or settlement with the parties.
- IV. The outstanding balance of assets and liabilities are accepted as they appear in the books of accounts and are subject to reconciliation / adjustments, if any, and confirmation by respective parties.
- V. Reconciliation with India GAAP : attached herewith

		As at 31/03/2017	As at 01/04/2016
Sr. No.	Particulars	Amount (Rs.)	Amount (Rs.)
1	Reconciliation of Equity		
	Equity as per IGAAP	10,08,87,892	10,00,74,691
	Add / (Less) Adjustment:		
	Fair valuation of quoted investments	3,88,412	4,31,384
	Equity as per Ind AS	10,12,76,304	10,05,06,075
2	Reconciliation of Balance sheet items		
	All balances remain same, except Noncurrent Investments:		
	Balance as per IGAAP	48,09,900	48,09,900
	Add / (Less) Adjustment:		
	Fair valuation of quoted investments	3,88,412	4,31,384
	Balance as per Ind AS	51,98,312	52,41,284

3	Other Comprehensive Income		
	Difference in fair value of investments as at reporting date	(42,972)	4,31,384
	Other Comprehensive Income	(42,972)	4,31,384
4	Reconciliation of Net Profit		
	Net Profit after Tax as per IGAAP	8,13,201	
	Add / (Less) Adjustment:		
	Other Comprehensive Income	(42,972)	
	Net Profit after Tax as per Ind AS	7,70,229	

**Fair Valuation of Investments in Un Quoted Equity Shares through OCI**

Under previous GAAP, Investment in unquoted Equity Shares, being Noncurrent investments were accounted as cost. Under Ind AS, the non current investments are accounted as fair value through OCI.

- VI. The Company has not received income in foreign currency and not made any expenditure in foreign currency.
- VII. Segment Reporting:  
The Company has one reportable business and geographical segment and hence no further disclosure is required under IND AS- 108 on Segment Reporting.
- VIII. Related Parties Disclosures under IND AS 24:  
As per Annexure attached
- IX. Previous year's figures have been regrouped and recast wherever necessary to conform to the current year classification.

For VORA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(ICAI FRNo.: 111612W)

FOR AND ON BEHALF OF THE BOARD

sd/-

sd/-

MAYUR A. VORA  
PARTNER  
(Membership No.: 030097)

sd/-

VARDHAMAN C. SHAH  
MANAGING DIRECTOR  
DIN: 00334194

AKSHIT LAKHANI  
DIRECTOR  
DIN: 00334241

Place: Mumbai  
Date: 28/05/2018

**ATTENDANCE SLIP**

**INDO EURO INDCHEM LIMITED**

**Red Office: B-9 TO B-16 MIDC,OSMANDABAD, Maharashtra-413501**

**email: [galaxy\\_delta@yahoo.co.in](mailto:galaxy_delta@yahoo.co.in), website: [www.indoeuroindchem.com](http://www.indoeuroindchem.com)**

**CIN No.L24100MH1990PLC057190, Landline :- 02472-203497**

<b>DP ID.*</b>	<b>Client ID*</b>	<b>Folio No.</b>	<b>No. ofShare(s) held</b>

\* Applicable for members who are holding shares in dematerialized form

I hereby record my presence at the **28<sup>th</sup>** Annual General Meeting of the Company on **Thursday, 27<sup>th</sup>September, 2018at 11.30 a.m at B-9 TO B-16 MIDC, Osmandabad, Maharashtra-413501.**

<b>Name of the Member(s)</b>	
<b>Signature of the Member</b>	
<b>Name of the Proxy</b>	
<b>Signature of the Proxy</b>	

*Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.*

**PROXY FORM NO. MGT-11**  
**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies Management and Administration) Rules, 2014]**

**INDO EURO INDCHEM LIMITED**

**Red Office: B-9 TO B-16 MIDC, OSMANABAD, Maharashtra-413501**

**email: [galaxy\\_delta@yahoo.co.in](mailto:galaxy_delta@yahoo.co.in), website: [www.indoeuroindchem.com](http://www.indoeuroindchem.com)**

**CIN No.L24100MH1990PLC057190, Landline :- 02472-203497**

Name of the Member(s)		
Registered Address:		
Email-Id:		
CLIENT ID/Folio No.		DP ID:

I/We , being the member(s) of .....shares of the above named company, hereby appoint:

1.Name:.....Address:.....  
 Email Id:.....,or failing him

2.Name:.....Address:.....  
 Email Id:.....,or failing him

3.Name:.....Address:.....  
 Email Id:.....,or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28<sup>th</sup> Annual General Meeting of the company to be held on **Thursday, 27<sup>th</sup> September, 2018 at 11.30 a.m at B-9 TO B-16 MIDC, Osmandabad, Maharashtra-413501** or at any adjournment thereof in respect of such resolutions as are indicated below.

Resolution No.	Resolutions	TYPE OF RESOLUTION	NUMBER OF SHARE	FOR	AGAINST
1	To receive, consider and adopt the Audited Financial Statement of the Company for the financial year March 31, 2018 together with the Reports of Directors and Auditors thereon.	ORDINARY			
2	To appoint VardhmanChhaganlal Shah (Din no: 00334194), who retires by rotation and being eligible offers himself for re-appointment	ORDINARY			
3	To appointMr.VardhamanChhaganlal Shah as Managing Director	ORDINARY			
4	Approval of Loans, Investments, Guarantee or Security under section 185 of Companies Act, 2013.	SPECIAL			
5	To make any loans or investments or to give any guarantees or to provide security.	SPECIAL			

Signed this.....day of .....2018.



Signature of Shareholder:.....

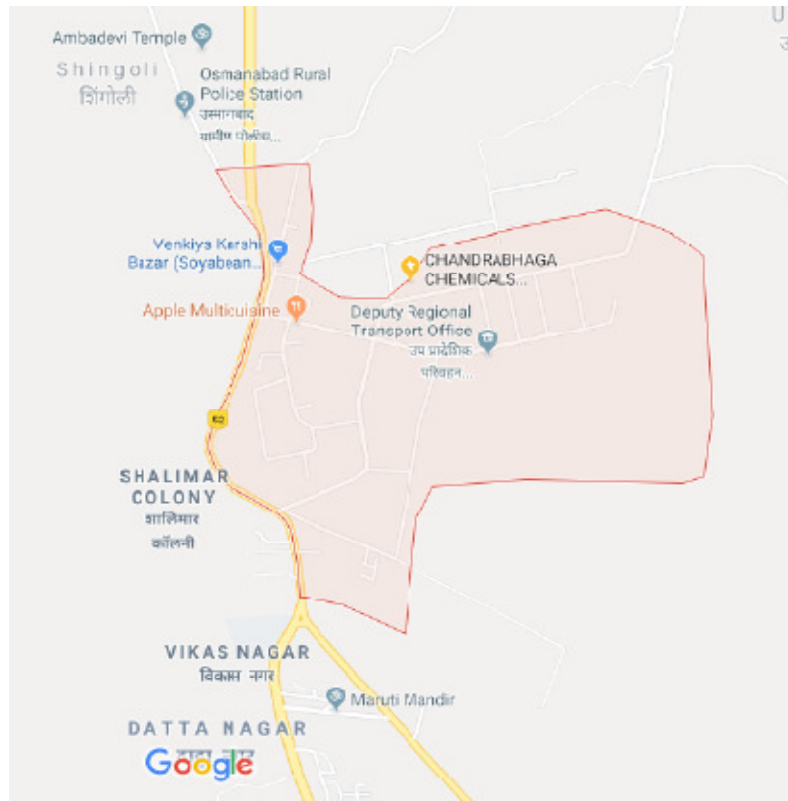
Rs. 1/- Revenue Stamp
-----------------------------

Signature of the Proxy Holder(s) (1)  
.....(2).....(3).....

Note: The proxy form must be deposited at the Registered office of the company not less than 48 hours before the time of the holding the meeting. The proxy need not be a member of the company.



## MAP FOR VENUE OF AGM



If, undelivered please return to:

**Regd. Office:**

**Indo Euro Indchem Limited  
B-9 TO B-16 MIDC,OSMANDABAD,  
MAHARASHTRA-413501**