

***CROMAKEM LIMITED***  
***24<sup>th</sup> ANNUAL REPORT***  
**2013 - 2014**

**BOARD OF DIRECTORS**

BHAVIK BADANI	:CHAIRMAN & M.D.
TARABEN BHATT	:DIRECTOR.
CHANDULAL SANGHVI	: IND. DIRECTOR
SURYAKANT SHAH	: IND. DIRECTOR

**REGISTERED OFFICE:**

A/6, NASIB APTT., AMBAWADI,  
(ELISBRIDGE),  
BEHIND APOLLO HOSPITAL,  
NEAR PARIMAL UNDER BRIDGE,  
AHMEDABAD(GUJ.)-380007

**ANNUAL GENERAL MEETING**

Date : TUESDAY, Sept. 30, 2014  
Time :11.00 a.m.  
Venue : Regd.Office Address

**AUDITORS**

M/S SHIRISH DALAL & ASSOCIATES,  
Chartered Accountants  
C/10/11, UDAYBHANU FLATS,  
OPP. ANKUR SCHOOL, PALDI,  
AHMEDABAD-380001

**REGISTRAR AND TRANSFER AGENT**

PURVA SHARE REG. INDIA PVT. LTD.  
9-SHIV SHAKTI INDL. EXTATE,  
J.R. BORICHA MARG,  
OPP. KASTURBA HOSPITAL,  
LOWER PAREL (E),  
MUMBAI - 400011

**BOOK CLOSURE**

26-09-2014 TO 30-09-2014 (BOTH DAYS INCLUSIVE)

**NOTICE**

NOTICE is hereby given that the 24TH Annual General Meeting of the members of CROMAKEM LIMITED, will be held on TUESDAY, 30th Sept., 2014, at 11.00 A.M. at its Registered Office of the Company to transact the following business: -

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2014 and the Profit and Loss Account for the year ended on that date together with the Auditors and Directors Report thereon.
2. To appoint a Director in place of Suryakant C Shah , Director of the Company who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company in place of retiring auditors M/s Shirish Dalal & Associates to hold office from the conclusion of this AGM until the conclusion of the next AGM and to fix their remuneration, and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT due to resignation of retiring auditors M/s Shirish Dalal & Associates, Chartered Accountants, Ahmedabad due to their pre occupation hence pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendations of the Audit Committee , M/s. C.B.Mehta & Co., Chartered Accountants of Vadodara (FRN-133653W) , be and are hereby appointed as the Auditors of the Company in place of retiring auditors ; to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM on such remuneration as may be mutually agreed upon between the auditors and Chairman of the Company and in addition the said auditors be entitled to out of pocket, traveling and living expenses to be incurred in connection with audit work of the Company.”

**SPECIAL BUSINESS**

4. 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 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Taraben Bhatt (Din : 06840375). , and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as director of the Company liable to retire by rotation.”

5. 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 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Chandulal Sanghvi (Din no. 02131858) and in respect of whom the Company has received a notice in writing under Section 160 of the Companies

Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as Independent Director of the Company to hold office for 5 (three) consecutive years for a term up to March 31, 2019 not liable to retire by rotation.”

6. 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 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Suryakant Chimanlal Shah (Din no. 03534346) and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as Independent Director of the Company to hold office for 5 (three) consecutive years for a term up to March 31, 2019 not liable to retire by rotation.”

Place : AHMEDABAD  
Date : 01/09/2014

By order of the Board  
SD/-  
(BHAVIK S BADANI)  
Chairman

#### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies should be deposited at the Registered office of the Company not less than 48 hours before the commencement of the meeting.
3. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members desirous of getting any information about the accounts and operations of the company are requested to send their query addressed to the Compliance Officer at the Registered Office at least 7 days before the date of the meeting to enable the Management to keep the information readily available at the meeting.
6. As per the requirement of the clause 54 of the Listing Agreement the Company is updating information on its website [cromakemltd.com](http://cromakemltd.com). This portal contains along with business information, quarterly unaudited results, Annual Report containing Notice, Directors Report, Auditors Report, Balance sheet

and Profit & Loss Account, quarterly shareholding pattern, contact detail of the Compliance Officer for communicating investor grievances.

7. Member are requested to :
  - a) Notify immediately any change in their residential address.
  - b) Quote the Registered Folio Number in every correspondence with the Company.
  - c) Bring their copies of the Annual Reports along with the duly filled in attendance slip at the meeting.
6. The Register of Members and share transfer books of the Company will remain closed from 26/09/2014 TO 30/09/2014 (both days inclusive) for the purpose of the Annual General Meeting.
8. As per the Circular of the Ministry of Corporate Affairs of "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21-04-2011 and Circular No. 18/2011 dated 29/04/2011) allowing paperless compliances by Companies through electronic mode, companies are now permitted to send various notices/ documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. Members are requested to register their email id with the Company.
9. The Company has appointed M/s Purva Shareregistry (India) Pvt.Ltd., Mumbai as its Registrar and Share Transfer Agent for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents related to transfers, demat requests, change of address intimations and other communications in relation thereto with respect to shares in electronic and physical form should be addressed to the Registrars directly at their following address quoting folio no., full name and name of the Company as Unit: CROMAKEM LTD.

Purva Shareregistry (India) Pvt. Ltd.  
 9, Shiv Shakti, Indl. Estate,  
 J. R. Boricha Marg,  
 Opp. Kasturba Hospital  
 Lower Parel (E), Mumbai - 400011

Phone : 022 -23012518, 23010771  
 Email : [busicomp@vsnl.com](mailto:busicomp@vsnl.com)

10. **Voting through electronic means**  
 The Company is pleased to provide e-Voting facility to enable the Members to cast their votes electronically, in compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014. Necessary arrangements have been made by the Company with NSDL to facilitate e-Voting. The instructions and manner for availing e-Voting facility are as under.

**The instructions for members for voting electronically are as under:-**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and for any other company casted electronic vote earlier, then your existing password can be used.

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

<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. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Now, members holding shares in physical form will reach to Company selection screen and members holding shares in demat form will reach to Password Creation menu. It is mandatory for the Members holding shares in demat form to change their login password into new password. It is strongly recommended not to share your password with any other person and to take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see the Resolution description and against which 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts 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.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**Please note that:**

1. The voting period begins on 26/09/2014 at 11.11 A.M. and ends on 29/09/2014 at 5 PM. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date which is 29/08/2014, may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on this cut-off date. The e-voting module shall be disabled by NSDL for voting after 05 P.M. ON 29/09/2014.
2. 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@nsdlindia.com](mailto:helpdesk.evoting@nsdlindia.com).
3. Mr.Chinmay Mehta, Chartered Accountant ( FRN – 133653W) , having his office at B-40, Dhanlaxmi Complex, Opp. Maangalya Hall, Harni Main Road, Vadodara(Guj.)-390022, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in employment of the Company and forward his report of the votes cast in favour or against, to the Chairman or to any Director or Officer who may be authorized by the Chairman for this purpose.
5. The Results shall be declared on or after the Annual General Meeting (AGM). The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

Place : AHMEDABAD  
Date : 01/09/2014

By order of the Board  
SD/-  
(BHAVIK S BADANI)  
Chairman

EXPLANATORY STATEMENT  
[Pursuant to Section 102 of the Companies Act, 2013]

ITEM NO. 4

TARABEN BHATT was appointed by the Board of director of the Company as an Additional Director of the Company w.e.f. 24/08/2014 pursuant to the relevant provisions of the Companies Act, 2013 and under the Articles of the Article of Association of the company and she holds such office only upto the date of this Annual General Meeting.

It is proposed to appoint Taraben Bhatt as Director as per the provisions of Co.Act,2013.

She is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

The Company has received notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing her candidature for the office of Director of the Company.

She is interested in the resolution set out at Item No. 4 of the Notice with regard to her appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board commends the Ordinary Resolutions set out at Item No. 4 of f the Notice for approval by theshareholders.

ITEM NO. 5 & 6

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Chandulal Sanghavi & Suryakant C Shah as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to 5 (five) consecutive years for a term up to March 31, 2019.

The appointeesare not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given consent to act as Ind. Directors.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of appointees for the office of Independent Director of the Company.

The Company has also received declarations from appointees that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, appointees fulfill the conditions for appointment as Independent Director as specified in the Act and the Listing Agreement.

Brief resume of appointees , nature of expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and



relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letter for appointment of appointee as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Appointees are interested in the resolution set out respectively at Item Nos. 5 & 6 of the Notice with regard to their appointments..

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 5 & 6 of the Notice for approval by the shareholders.

Place : AHMEDABAD  
Date : 01/09/2014

By order of the Board  
SD/-  
(BHAVIK S BADANI)  
Chairman

**DIRECTORS' REPORT OF THE MEMBERS**

To,  
The Members of the Company,

Your Directors have pleasure in presenting before you the 24TH Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2014.

FINANCIAL RESULTS	(Amt in Rupees )	
	2013-2014	2012-2013
Total Income	313044	292997
Total Expenditure	261428	250294
Profit before Tax	51616	42703
Profit after Tax	51616	42703

#### FINANCIAL & OPERATIONAL HIGHLIGHTS

Turnover of the Company is not significant but company reported profit for year due to controlling the expenses. An active drive to increase the business of the Company is undergoing and company expects to report better results in forthcoming years.

#### DIVIDEND

The Board of Directors of the Company has not declared any dividend for 2013-2014.

#### FIXED DEPOSITS

The Company has not accepted deposits from the public during the year attracting the provisions of section 58A of the Co. Act, 1956 and Rules framed there under.

#### AUDIT COMMITTEE

The Company has formed an Audit committee comprising of 3 directors. The terms of the reference of the committee are in line with the requirements specified u/s. 177 of the Co-Act, 2013 and Corporate Governance as stated in Clause 49 of the Listing Agreement.

#### DIRECTORS

During the year under review, Suryakant C Shah, will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

#### AUDITORS

The Auditors, M/s. Shirish Dalal & Associates., Chartered Accountants, retire at the ensuing Annual General Meeting and shown their unwillingness to continue to be the auditors of the company for F.Y. 2014-2015 hence the Company approached another auditors M/s C.B.Mehta & Co. Chartered Accountants of Baroda and after receipt of consent from them, the Board appointed new auditors for F.Y. 2014-2015 subject to approval of the shareholders in the AGM.

**PARTICULARS OF EMPLOYEES**

There was no employee in the Company whose particulars are required to be furnished as per section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended upto date.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO.**

The information under section 217(1) (e) of the Companies Act, 1956 on Conservation of Energy, Technology Absorption as required to be disclosed is not applicable to your company since it is engaged in the financial activities.

During the year under review the Company has no foreign exchange earnings and outgo.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to section 217(2AA) of the Companies Act. 1956 the Directors confirm :

- (a) that in the preparation of annual accounts, the applicable accounting standards have been followed;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors have prepared the Annual Accounts on a going concern basis.

**CORPORATE GOVERNANCE AND COMPLIANCE**

A report on corporate governance along with Management Discussion and Analysis is annexed to this report. A certificate from Statutory Auditors with regards to the compliance of the corporate governance, as stipulated in Clause 49 of the Listing Agreement, by the company is annexed to this report.

The company has fully complied with all mandatory requirements prescribed under Clause 49 of the listing agreement. In addition, the company has also implemented some of the non mandatory provisions of Clause 49.

**ACKNOWLEDGEMENT**

Your Directors wish to express their sincere appreciation for the co-operation and support received from Banks, shareholders, customers, Officers and other employees of the Company throughout the year.

By order of the Board  
For CROMAKEM LIMITED

Place : AHMEDABAD  
Date : 01/09/2014

Sd/-  
Bhavik Badani  
CHAIRMAN

**ANNEXURE –A to the Director’s Report for the year ended 31<sup>st</sup> March, 2014.****REPORT ON CORPORATE GOVERNANCE****1. COMPANY’S PHILOSOPHY**

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders, clients, the good reputation of the Company and the unquestioned integrity of all personnel involved in the Company. To ensure transparency, fairness and objectivity in an organisation’s functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company’s policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, inter alia, priority to clients’ interest over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

**2. BOARD OF DIRECTORS**

The Board of Directors of the Company consists of Four Directors including the Executive Chairman. Out of 4, 2 directors are non-executive independent directors and one is a Non-Executive director. The Company does not have any pecuniary relation or transaction with Non-Executive Independent Directors during the year under review.

**Board procedure**

A detailed Agenda folder was sent to each Director in advance (generally before 7 to 10 days) of Board and committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefed the Board at every meeting on the financial performance of the Company up to last completed month as against the budget/revised budget of the year. Presentations are made by the Managing Director about the financial, operational performance and market scenario. The Board also reviewed:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment plans of the company
- Compliance with statutory/regulatory requirements and review of major legal issues.
- Adoption of quarterly / half yearly / annual results (after recommendation of Audit Committee where required).
- Significant labour problems
- Major accounting provisions and write-offs.
- Details of joint venture or Collaboration Agreement

**Composition, Category of Directors and their other directorship and Membership / Chairmanship of Committees.**

Sr.No.	Name of the Director	Category	NUMBER OF OTHER		
			Directorship	Committee M.Ship	Committee Chirmanship
1	Bhavik Badani	Chairman & M.D.	4	3	-
2	Chandulal Sanghvi	Ind. Dir	3	3	2
3	Suryakant Shah	Ind. Dir	-	3	1
4	Taraben Bhatt	Director	4	-	-

During the year Five Board Meetings were held./02/2014. The Board was present with the relevant and necessary information. None of the Director is a member of more than 10 committees or acting as Chairman of more than 5 committees across all companies in which he is a director. The attendance at the Board Meeting during the year and at the last Annual General Meeting was as follows:

SR.NO	NAME OF DIRECTORS	NO. OF BOARD MEETING ATTENDED	ATTENDENCE AT THE AGM HELD ON 30-09-2013
1	Bhavik Badani	5	YES
2	Chandulal Sanghvi	5	YES
3	Suryakant Shah	5	YES
4	Taraben Bhatt	-	NO

**3. AUDIT COMMITTEE**

The Board constituted an Audit Committee consisting of 3 Directors. All members of Audit Committee are financially literate and 2 Directors out of 3 has financial management expertise as required for member of Audit Committee as stipulated in Clause 49 of the Listing Agreement. The Details of Audit Committee meetings held during the year April 2013 to March 2014 and the attendance of the Audit Committee Members are as under:

SR.NO	DIRECTOR NAME	CATEGORY	NO OF MEETING HELD	ATTENDED
1	Chandulal Sanghvi	Ind. Director	5	5
2	Suryakant Shah	Ind. Director & Chairm.	5	5
3	Bhavik Badani	Managing Director	5	5

**Terms of Reference as per section 177 of the Co.Act,2013 :-**

The terms of reference for the audit committee as laid down by the Board include the following:-

- (ii) Overseeing the Company's Financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (iii) Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- (iv) Reviewing with management, the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies and practices; major accounting entries based on exercise of judgement by management; qualifications in draft audit report; significant adjustments arising out of audit; the going concern assumption; compliance with accounting standards; compliance with stock exchange and legal requirements' concerning financial statements; any related party transaction i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.
- (v) Reviewing with the management, statutory and internal auditors, the adequacy of internal control system and ensuring compliance therewith.
- (vi) Discussions with statutory auditors before the commencement of the audit about the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.
- (vii) Reviewing the Company's financial and risk management policies.
- (viii) To review the functioning of the Whistle Blower Policy adopted by the Company.
- (ix) To review report on Management Discussion & Analysis of Financial Condition and Results of operation, to be included in the Company's Annual Report to its Shareholders.

**1. NOMINATION AND REMUNERATION COMMITTEE**

The company had constituted a Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company earlier but as per new provisions u/s 178 of the Co.Act,2013, the said committee has been reconstituted w.e.f. 01.04.2014 consisting of Bhavik Badani, Chairman of the said committee, Naresh Shah Patel and Smt. Sushma Raval are the members of the said committee. This committee will look after the functions as enumerated u/s 178 of the new Act.

**2. STAKEHOLDERS RELATIONSHIP COMMITTEE****Composition:-**

The said committee comprises of Chandullal Sanghavi, Chairman of the said committee, Suryakant Shah and Bhavik Badani are the members of the said committee. There are 4 meetings during the year.

The Committee has delegated the authority to an officer of the Company who attends to share transfer formalities at least once in a fortnight.

**Terms of reference:-**

To look into the redressal of the share holders complaints in respect of any matter including transfer of shares non receipt of annual report, non receipt of declared dividend etc.

**Compliance Officer:-**

The company has designated Mr. Bhavik Badani as Compliance Officer.

**Summary of Investors' Complaints:-**

During the year certain letters / complaints were received from the share holders, out of which NIL letters/ complaints were still pending to be resolved.

**Annual General Meeting :-**

The Annual General Meeting (AGMs) of the company have been held at the following places in the last three years.

YEAR	DATE	TIME	VENUE
2010-11	30-09-2011	11.00 A.M	AT THE REGD. OFFICE OF THE COMPANY
2011 – 12	28-09-2012	11.00 A.M	-DO-
2012 – 13	30-09-2013	11.00 A.M	-DO-

No resolution was put through postal ballot during the fin. Year 2013-14

**6. DISCLOSURES :-**

There were no transaction by the company of material significance with related parties i.e. its Promoters, Directors of Companies or the Management or their relatives during the year which may have potential conflict with interest of the Company at large.

**7 . MEANS OF COMMUNICATION:**

(i) The periodical unaudited / audited financial results are published in Ahmedabad Samachar (Gujarati) and Business Standard (English) as required under the Listing Agreement. All financial and other vital information is promptly communicated to the stock exchanges on which company's shares are listed.

(ii) The Management Discussion and Analysis report prepared by the management and forming part of the Annual Report is separately attached.

**8. GENERAL INFORMATION FOR SHAREHOLDERS:****(a) Regd. Office:-**

A/6, NASIB APTT., AMBAWADI (ELLISBRIDGE), BEHIND APOLLO HOSPITAL, NEAR PARIMAL UNDER BRIDGE, AHMEDABAD(GUJ.)-380007

**(b) Date, Time, Venue of Annual General Meeting:-**

Tuesday, 30th September, 2014 at 11.00 AM at the Regd. Office of the company.

**(c) Financial Reporting for the quarter ending:-**

JUNE 30	: END JULY
SEPT 30	: END OCTOBER
DEC 31	: END JANUARY
MARCH 31	: END APRIL

**(d) Date of Book Closure :**

26.09.2014 to 30.9.2014 (both days inclusive)

**(e) Listing Details :**

Ahmedabad Stock Exchange, Ahmedabad	: No Stock Code
Bombay Stock Exchange Limited, Mumbai	: Scrip Code 526181

The Company has paid listing fees to all Stock Exchanges till March 2014.

**(f) Market price data:**

During the year ended 31-3-2014 the equity share have not been traded as BSE suspended the scrip for want of Listing Agreement Compliances hence no market price data is available..

**(g) Share Transfer System:**

The Company has a Share holders/ Investors grievance Committee who looks after share transfer job by meeting at regular intervals depending upon the receipt of the shares for transfer.

**(i) Investor Services:**

The Company has received 06 complaints from the shareholders/investors during the year and all are resolved.

**(j) Distribution Of Shareholding As On 31<sup>st</sup> March, 2014**

SHARE HOLDING PATTERN		
Category	No. of Shares	%
Promoters & Promoters Group	984915	28.55
Corporate Bodies	170000	4.93
NRIs / OCBs	NIL	NIL
Public	2295085	66.53
<b>Total</b>	<b>3450000</b>	<b>100</b>

**(k) DEMATERIALISATION OF SHARES AND LIQUIDITY :**

The Company has appointed M/S PURVA SHAREGISTRY INDIA PVT.LTD., MUMBAI as its RTA but still 100% equity of the company are in physical forms.

**DISPOSAL OF INVESTOR GRIEVANCES**

The average time required by the Company or Registrar to the issue for the redressal of routine investor grievances is estimated to be seven working days from the date of receipt of the



complaint. In case of non-receipt routine complaints and where external agencies are involved. The Company or Registrar will strive to redress these complaints as expeditiously as possible.

#### **CERTIFICATION WITH RESPECT TO FINANCIAL STATEMENT**

The Managing director of the Company has furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls and compliance of Clause 49 as required under Clause 49 of the listing agreement.

#### **WHISTLE BLOWER POLICY**

Recently, the Security & Exchange Board of India has also prescribed the adoption by all listed companies, of a Whistle Blower Policy as a non-mandatory requirement. The company has adopted a Whistle Blower Policy, which affords protection and confidentiality to Whistle blowers. The Audit Committee Chairman is authorized to receive Protected Disclosures under this Policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made whistle blowers in accordance with policy.

No personnel have been denied access to the Audit Committee. As of March 31, 2014, no Protected Disclosures have been received under this policy.

#### **CODE OF CONDUCT**

The Company's Board of Directors has adopted the code of conducts which govern the conduct of all directors /employees. All Directors and senior management personnel have affirmed compliance with respective codes for the year ended on 31<sup>st</sup> March 2014.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Company is in the business of financial activity. The key issues of the Management Discussion and Analysis are given below.

##### **(a) Industry Structure and Developments**

The company is engaged in chemical trading, manufacturing and share trading mainly.

The fortunes of the Finance industry are, to a large extent, linked to the growth of the Industry and Investment sentiments of the people. The Industry is facing intense competition from the Foreign Financial Institution.

##### **(b) Strength**

The strength of the company is known from its reputation which the company has earned due to its quality business and cordial relation with its clients and presently the company's financial position is sound due to boom in capital market because of governmental support.

##### **( c ) Comment on Current year's performance**

Receipts	: The Receipt has significantly increased.
Operating Expenses	: The operating Expenses are well under control.
Operating Profits	: The Operating Profits are up to industry mark.
Indirect Expenses	: The Indirect Expenses are under control.
Depreciation	: Reasonable amount of Depreciation is provided.

Profit before tax	: Profit before tax is also showing an improving trend.
Taxation	: Taxation is Provided as per Income Tax Act.
Debtor/Sales	: Debtors are reasonable and realization period has decreased due to the policy of the Company.
Creditors/Purchase	: The Company has an established credit.

**d) Opportunities and Threats**

The impact of boom in capital market and real estate market due to government support has provided a boost to the economy and it is set to grow at 8% to 9% supported by a smart growth in manufacturing and services sectors. This brings prosperity to a country and more and more people go for investment in Share market. Outlook for the year 2014 is positive. While the overall demand outlook for the year 2014 remains good, the Company expects the pressure on quality customers to continue due to competition.

**(e) Segment wise performance**

The business of the Company falls under a single segment i.e. Share broking, Investment and trading in shares and derivatives for the purpose of Accounting Standard AS-17.

**(f) Outlook**

The continual growth in the Finance sector is expected to give the necessary support to the Finance industry. The Company is making all efforts to accelerate growth of its business. It expects to improve its position in the market by focusing on technologically advanced and more profitable products/market segments and working aggressively in the areas of productivity, efficiency and cost reductions.

**(g) Risk and concerns**

The menace of local Finances and play of angadia has further compounded the problems of the organised Finance Industry as they use inferior way of transferring funds. The Stock market is also a risky place to put one's fund. The pull back of FIIs will also have an adverse effect on the share market.

**(h) Internal control system**

Internal audit and other controls have been found to be adequate. These are reviewed periodically by the Audit Committee and found the performance satisfactory.

**(i) Developments in human resources and industrial relations**

Information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules, 1975 is not required to be given as no employee falls under it. The Company continued to have cordial relations with all the employees.

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

The Board of Directors,  
CROMAKEM LIMITED  
AHMEDABAD.

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges of India, for the F.Y ended on 31<sup>st</sup> March 2014.

The compliance of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review to the best of our information and according to the explanations given to us, in our opinion, the company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said listing agreement.

On the basis of certificate issued by the Registrar and Share Transfer Agent of the Company and the Minutes of meetings of the Shareholders/ Investors Grievance Committee of the Company, we state that, there were no investor grievances pending against the Company for a period exceeding one month.

We further state that, such compliance is neither an assurance as to the future viability of the Company, nor as to the efficiency of effectiveness with which the management has conducted the affairs of the Company.

**SHIRISH DALAL & ASSOCIATES,**  
Chartered Accountants

Date : 01/09/2014  
Place :AHMEDABAD

**Sd/-**  
**(SHIRISH DALAL)**  
**Proprietor**  
M.No.8996

**AUDITORS' REPORT**

To,  
The Members,  
M/s. Cromakem Ltd.,  
AHMEDABAD

We have audited the attached Balance Sheet of M/s. CROMAKEM LIMITED, as at 31<sup>st</sup> March, 2014 and the annexed Profit and Loss Account and cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements bases on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India, Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order 2003 issued by the central Government of India in terms of section 227 (4A) of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
- (c) The Balance Sheet and the Profit & Loss Account referred to in this report are in agreement with the books of account.
- (d) In our opinion and to the best of our information the said Balance Sheet and Profit & Loss Account and cash flow statement comply with the Accounting standard referred to in section 211(3c) of the companies act, 1956.
- (e) On the basis of written representations received from the directors, as on 31<sup>st</sup>, March, 2014 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of Companies Act, 1956.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:-

- i. In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014 and
- ii. In so far as it relates to the Profit & Loss Account of the profit of the company for the year ended on that date.
- iii. In the case of the cash flow statement, of the cash flow for the year ended on that date.

**SHIRISH DALAL & ASSOCIATES,**  
Chartered Accountants

**Sd/-**

Date : 01/09/2014  
Place : AHMEDABAD

**(SHIRISH DALAL)**  
**Proprietor**  
M.No.8996

**ANNEXURE TO THE AUDITORS REPORT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2014**

- i) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
- ii) The fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification as compared with the available records.
- iii) None of the Fixed Assets of the company have been disposed off during the year .
- iv) The stock of finished goods, and raw materials have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- v) The procedure followed by the management for physical verification of stocks is reasonable and adequate in relation to the size of the company and the nature of its business.
- vi) On our basis of examination of stock records, we are of the opinion that the record of stocks is fair and proper in accordance with the normally accepted accounting principle and no material discrepancies were noticed on physical verification.
- vii) There is no loans, secured and unsecured, taken by the company to/from companies, firm or other parties covered in the register maintained u/s. 301 of the Co. Act, 1956.
- viii) Interest free Loans and Advances in the nature of loans have been given to employees and other parties who were generally regular in repaying the principal as stipulated. Where there is delay in repayment, the company has taken reasonable steps to recover the same.
- ix) In our opinion and according to information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for financial activities.
- x) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- xi) In our opinion and according to the information and explanations given to us, the provisions of section 58-A of the Companies Act, 1956 and Companies (acceptance of deposits) Rules, 1957 are not applicable as the company has not accepted and deposits from the public.
- xii) The company does not have any formal system of internal audit. However in our opinion and according to information and explanations given to us, the internal control procedures are adequate. Considering the size and nature of business of the Company.
- xiii) The Provisions of section 209(1)(d) of the Companies Act, 1956 regarding the maintenance of cost records are not applicable to the company.
- xiv) As informed to us the provision of Provident Fund Act, Employees State Insurance Act provisions of investor education and protection fund, customs duty, excise duty and cess are not applicable to the Company during the year under review.
- xv) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Income-Tax, Wealth Tax, Service Tax and other material statutory dues applicable to it.
- xvi) According to the information and explanations given to us no disputed amounts in respect of Income-Tax, Wealth-tax, Sales-Tax, Customs-Duty and Excise-Duty were outstanding as at 31<sup>st</sup>, March, 2014 for a period of more than six months from the date they become payable.

- (xvii) According to the information and explanations given to us and based on the generally accepted audit procedures carried out by us no personal expenses of employees or directors have been charged to Revenue Account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
- xvii) The Company has accumulated losses at the end of the financial year and it has incurred losses in the current and immediately preceding financial year.
- xviii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution, banks or debenture holders.
- xix) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xx) The provisions of any special statute applicable to Chit Funds, Nidhi, or Mutual Benefit Society/fund do not apply to the Company. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- xxi) The Shares and other securities have been held by the Company, in its own name as explained to us and proper records in respect thereof have been maintained.
- xxii) According to the information and explanation given to us, the Company has not given counter guarantee for loans taken by anybody.
- xxiii) According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xxiv) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained u/s 301 of the Co. Act, 1956.
- xxv) The Company did not have any outstanding secured debentures during the year.
- xxvi) The Company has not raised any money through a public issue during the year under review.
- (xxviii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xxix) The Company is not a sick Company as per the provisions of SICA, 1985.

**SHIRISH DALAL & ASSOCIATES,**  
Chartered Accountants

**Sd/-**

Date : 01/09/2014  
Place :AHMEDABAD

**(SHIRISH DALAL)**  
**Proprietor**  
M.No.8996

**CERTIFICATE**

We have examined the attached Cash Flow Statement of CROMAKEM LIMITED for the year ended on 31-03-2014. The Statement has been prepared by the Company in accordance with the requirement of Listing Agreement Clause 32 with AHMEDABAD Stock Exchange and is based on in agreement with corresponding Profit & Loss Account and Balance Sheet of the Company covered by the Report of 01/09/2014 to the members of the Company.

**SHIRISH DALAL & ASSOCIATES,**  
Chartered Accountants

Date : 01/09/2014  
Place :AHMEDABAD

**Sd/-**  
**(SHIRISH DALAL)**  
**Proprietor**  
M.No.8996





**CROMAKEM LTD.**

Profit and Loss statement for the year ended 31st March, 2014

Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I. Revenue from operations</b>		-	-
<b>II. Other Income</b>	10	3,13,044.00	2,92,997.00
<b>III. Total Revenue (I +II)</b>		<b>3,13,044.00</b>	<b>2,92,997.00</b>
<b>IV. Expenses:</b>			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense	11	1,05,000.00	95,000.00
Financial costs		-	-
Depreciation and amortization expense		-	-
Other expenses	12	1,56,428.00	1,55,294.00
<b>Total Expenses</b>		<b>2,61,428.00</b>	<b>2,50,294.00</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		51,616.00	42,703.00
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		51,616.00	42,703.00
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII - VIII)</b>		<b>51,616.00</b>	<b>42,703.00</b>
<b>X. Tax Expenses:-</b>			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI. Profit(Loss) from the period from continuing operations		51,616.00	42,703.00
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>51,616.00</b>	<b>42,703.00</b>
<b>XVI. Earning per equity share:</b>			
(1) Basic		0.01	0.01
(2) Diluted		0.01	0.01

As per our report of even date attached  
**For SHIRISH DALAL & ASSOCIATES,**  
 CHARTERED ACCOUNTANTS

On or behalf of Board  
**For CROMAKEM LTD.**

sd/-  
**(SHIRISH DALAL)**  
 Proprietor  
 MEM.NO. 8996  
 PLACE : AHMEDABAD  
 Date :01/08/2013

sd/-  
**BHAVIK BADANI**  
 (M.D.)

sd/-  
**PALLAVI PANDIT**  
 (DIRECTOR)

NOTES TO ACCOUNTS: G

<b>NOTE NO.1 SHARE CAPITAL</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
<b>A) Authorized Capital</b>		
<u>Equity shares</u> 4000000 EQUITY SHARES OF RS. 10/- EACH	4,00,00,000.00	4,00,00,000.00
	<b>4,00,00,000.00</b>	<b>4,00,00,000.00</b>
<b>B) Issued, Subscribed and fully paid, or Subscribed but not fully paid shares</b>		
<u>Equity shares</u> 34,50,000 Equity Shares of Rs.10 each fully paid up	3,45,00,000.00	3,45,00,000.00
<b>TOTAL</b>	<b>3,45,00,000.00</b>	<b>3,45,00,000.00</b>

<b>NOTE NO.2 RESERVES AND SURPLUS</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
<u>Surplus - Profit/(Loss)</u>	51,616.00	42,703.00
Add: Brought forward profit	31,97,944.00	31,55,241.00
Less: Brought forward loss	-	-
<b>TOTAL</b>	<b>32,49,560.00</b>	<b>31,97,944.00</b>

<b>NOTE NO.3 LONG TERM BORROWINGS</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
<b>I Unsecured</b>		
- From other parties	92,86,000.00	92,86,000.00
<b>TOTAL</b>	<b>92,86,000.00</b>	<b>92,86,000.00</b>

<b>NOTE NO. 4 TRADE PAYABLES</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
Unsecured, unconfirmed considered good		
a) More than six months	-	-
b) Others	69,85,663.00	76,31,097.00
<b>TOTAL</b>	<b>69,85,663.00</b>	<b>76,31,097.00</b>

<b>NOTE NO. 5 FIXED ASSETS</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
<b>(A) TANGIBLE ASSETS</b>		
(b) Land		
Opening Balance	-	-
Add Addition/(Sale of Asset)	60,00,000.00	60,00,000.00
Less Depreciation	-	-
	<b>60,00,000.00</b>	<b>60,00,000.00</b>

(c) Furniture & Fixture		
Opening Balance	-	-
Add: Addition/(Sale of Asset)	-	-
Less: Depreciation		
	-	-

**NOTE NO. 6 CURRENT INVESTMENTS**

PARTICULARS	Amount of current period	Amount of previous period
(a) UNQUOTED	89,00,000.00	89,00,000.00
(b) QUOTED	43,53,574.00	43,53,574.00
<b>TOTAL</b>	<b>1,32,53,574.00</b>	<b>1,32,53,574.00</b>

**NOTE NO. 7 TRADE RECEIVABLES**

PARTICULARS	Amount of current period	Amount of previous period
(A) Unsecured, unconfirmed considered good		
a) More than six months	2,38,27,569.00	2,69,77,686.00
b) Others		
<b>TOTAL</b>	<b>2,38,27,569.00</b>	<b>2,69,77,686.00</b>

**NOTE NO. 8 CASH AND CASH EQUIVALENTS**

PARTICULARS	Amount of current period	Amount of previous period
(a) Fixed Deposits with Accured Interest		
(b) Balance with banks	29,50,416.00	85,229.00
(b) Cash on hand	26,89,664.00	29,98,552.00
<b>TOTAL</b>	<b>56,40,080.00</b>	<b>30,83,781.00</b>

**NOTE NO. 9 SHORT TERM LOANS AND ADVANCES**

PARTICULARS	Amount Current Period	Amount Previous Period
(A) Loans and advances to related parties	-	-
(B) Others	53,00,000.00	53,00,000.00
	<b>53,00,000.00</b>	<b>53,00,000.00</b>

**NOTE NO. 10 OTHER INCOME**

PARTICULARS	Amount of current period	Amount of previous period
(a) Interest & Other Misc. Income	2,31,485.00	85,000.00
(b) Income from Shares Trading	81,559.00	2,07,997.00
(c) Commission	-	-
<b>TOTAL</b>	<b>3,13,044.00</b>	<b>2,92,997.00</b>

**NOTE NO. 11 EMPLOYEES BENEFIT EXPENSES**

PARTICULARS	Amount of current period	Amount of previous period
(a) Salaries and wages	1,05,000.00	95,000.00
(b) Staff Welfare exps	-	-
<b>TOTAL</b>	<b>1,05,000.00</b>	<b>95,000.00</b>

<b>NOTE NO.12 OTHER EXPENSES</b>		
PARTICULARS	Amount of current period	Amount of previous period
(a) Audit Fees	5,000.00	5,000.00
(b) Advertisement Exps	7,889.00	9,421.00
(c) Bank Charges	12,558.00	32,147.00
(d) Depository and share trf		-
(e) Office Exps	10,544.00	6,258.00
(f) Legal & Professional charges	35,000.00	25,000.00
(g) Telephone, Internet	12,498.00	11,258.00
(h) Printing & Stationery	9,881.00	7,522.00
(i) Listing Fees	36,000.00	36,000.00
(j) Postage & Telegramme & courier		-
(l) ROC Fees	12,500.00	11,030.00
(J) Electricity charges	14,558.00	11,658.00
(k) Service Tax	-	-
<b>TOTAL</b>	<b>1,56,428.00</b>	<b>1,55,294.00</b>

**Notes to**

- 1) Pursuant to the Notification No.447 (E) dated February 28,2011 and Notification No.653 (E) dated March 30, 2011, issued by the Ministry of Corporate Affairs, the Company has prepared its financial statements for the year ended March 31, 2014 as per revised schedules VI to the Companies Act, 1956. Accordingly, the previous year's figures have been regrouped / reclassified, wherever required to align the financial statements to the

**NOTE NO. ANY ITEM MORE THAN RS.1 LAC OR 1% OF TOTAL REVENUE N. A.**

<b>NOTE NO. PAYMENT TO AUDITOR</b>		
(A) As Auditor	5,000.00	5,000.00
(B) For Taxation matter	-	-
(C) For Company Law matters	-	-
(D) For management services	-	-
(E) For Other Service	-	-
(F) For reimbursement of expenses	-	-
<b>TOTAL</b>	<b>5,000.00</b>	<b>5,000.00</b>

**CROMAKEM LIMITED 2013-2014**

**SCHEDULE "3"  
FIXED ASSETS**

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRICIATION			NET BLOCK	
	AS AT	ADDN /	AS AT	AS ON	FOR THE	AS ON	AS AT	AS ON
	04/01/2013	DEDU.	31/03/2014	04/01/2013	YEAR	#####	31/03/2014	#####
FURNITURE & FITTINGS 6.33%	1142819	0	1142819	1142819		1142819	0	0
LAND	0	6000000	6000000	0 0	0	0 0	6000000	6000000
<b>Total</b>	<b>1142819</b>	<b>0</b>	<b>7142819</b>	<b>1142819</b>	<b>0</b>	<b>1142819</b>	<b>6000000</b>	<b>6000000</b>
PREVIOUS YEAR	1142819	0	7142819	1142819	0	1142819	6000000	0

**Cash Flow Statement for the Year ended on 31st March 2014**

<b>PARTICULARS</b>		<b>2013-14</b>	<b>2012-13</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>			
Net Profit / (loss) before tax and extraordinary items		51616	42703
<b>Adjustment for :</b>			
Misc. exp. w/o + Dep.		-	0
Sub-Total		<b>0</b>	<b>0</b>
Total Inflow from Operation		51616	42703
Non Operating Income		0	0
Operating Profit / Loss before Working Capital Changes		51616	42703
<b>Adjustment For:</b>			
Trade and other receivables		31,50,117	10983000
Deposits		0	0
Loans & Advances		-	331191
Current Liabilities		(6,45,434)	-3283963
Sub -Total		<b>2504683</b>	<b>8030228</b>
<b>CASH GENERATION FROM OPERATION</b>			
Direct Taxes Paid or Tax Provision		0	0
Sub - Total		0	0
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>			
Dividend & Dividend Tax Payable		0	0
<b>BALANCE CARRIED FORWARD</b>	<b>(A)</b>	<b>2556299</b>	<b>8072931</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets		-	-6000000
Sale of Investment		-	0
Int. Recd. + Brokerage Income		0	0
Sub - Total		0	-6000000
<b>BALANCE CARRIED FORWARD</b>	<b>(B)</b>	2556299	2072931
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
<b>Proceeds from Secured Loans</b>		0	0
Proceeds from Unsecured Loans		-	-1684000
Sub - Total		0	-1684000
Net Increase (Decrease) in cash & cash equivalent	<b>( C )</b>	2556299	388931
Opening Cash & Cash equivalents		3083781	2694849.73
Closing Cash & Cash equivalents		56,40,080	3083781
<b>For SHIRISH DALAL &amp; ASSOCIATES,</b> CHARTERED ACCOUNTANTS		On or behalf of Board <b>For CROMAKEM LTD.</b>	
sd		sd	sd
<b>(SHIRISH DALAL)</b>			
Proprietor		(M.D.)	(DIRECTOR)
MEM.NO. 8996			
PLACE : AHMEDABAD			
DATE : 01-08-2014			

**SIGNIFICANT ACCOUNTING POLICIES****[1] BASIS OF ACCOUNTING:**

The financial statement are prepared under historical cost convention on accrual method of accounting and are in accordance with the requirements of the Companies Act, 1956 except some of the government and statutory benefits, expenses like Provident Fund, Employee state Insurance, Professional Tax which are recorded on cash basis.

**[2] FIXED ASSETS:**

To state Fixed Assets at cost of acquisition inclusive of inward freight duties and taxes and incidental expenses related to acquisition. Expenditure incurred in purchase of Fixed Assets which are yet to be erected, installed and Commissioned along with other expenditure incurred are treated Capital Work-in-progress. Land purchased worth Rs. 24500000 was not shown in fixed assets and was kept in loans and advances because 10% of the total payment was pending and the same has been paid and hence now the land is shown in fixed assets.

**[3] VALUATION OF INVENTORY:**

Stock of Raw Material have been valued at fixed cost, Stock of Work-in-Process have been valued at cost + estimated cost of production. Finished Goods have been valued at Selling Price + estimated profit; Stores & Spares has been valued at of cost.

**[4] DEPRICIATION:**

Depreciation has been provided on Written Down Value method at the rate prescribed under the Schedule XIV of the Companies Act, 1956.

**[5] EXPENDITURE DURING CONSTRUCTION PERIOD:**

Expenditure during Construction period inclusive of depreciation on Assets used Construction Period and interest on loans net after deducting interest earned on temporary deposits has been allocated proportionately on the respective Fixed Assets.

**[6] CENTRAL EXCISE:**

The refund of excise in form of Modvat credit available on input of material as per excise law are deducted from the landed cost of the materials.

**[7] RECOGNITION OF INCOME AND EXPENDITURE:**

Revenues/Incomes and Costs/Expenditures are generally accounted as they are earned and incurred. However no provision has been made for Bonus and gratuity liability. The Company has the practice of accounting it at the time of making actual payment of the same.

**[8] FOREIGN CURRENCY TRANSECTIONS:**

Foreign Currency Transactions are accounted on the basis of Rate of Exchange charged by the Custom authority while preparing the Bills of lading.

**[9] EMPLOYEE BENEFITS:**



The liability towards provident Fund is not yet applicable to the Company.

**[10] CONTINGENT LIABILITY:**

Contingent Liability is provided on the basis demand made upon the Company.

**[11] INVESTMENTS :**

Investments are valued at the acquisition cost.

**[12] DEFERRED TAX:**

Deferred Tax is the Timing differences between taxable income & accounting income for a period that originated in one period and are capable of reversal in one or more subsequent period.

During the year under review there is no Deferred Tax liabilities but there is differed Tax Asset.

**[13] RELATED PARTY DISCLOSURES:**

There is no related party transactions as per Accounting Standard 18 as issued by ICAI.

**NOTES OF ACCOUNTS:**

- (1) In the Opinion of the Board of Directors, Current Assets, Loans and Advances are realisable.
- (2) No further information pursuant 4c and 4d of the part II of Schedule VI of the Companies Act, 1956 is given, as the same is not applicable to the company.
- (3) Balance in respect of debtors, bank, creditors, Loans and Advances including Banks are subject to reconciliation and Confirmation.
- (4) There is no contingent liability in the Company.
- (5) There is no employee drawing remuneration exceeding 12,00,000/- per annum or 1,00,000/- per month as the case may be.
- (6) The company has not made any payment to any related party as required by AS-18 of ICAI.
- (7) The Company has not made any provision relating to the AS-15, Retirement Benefits. They shall be dealt on cash basis.
- (8) The provision of Income Tax has been made considering current profit and any shortfall of earlier years.

(9) Previous year's figures have been regrouped/rearranged wherever necessary so as to confirm to the balances of the current year.

(10) Payments to Auditors is as under :-

As Statutory Audit fee	Rs.5,000	Rs. 5,000 Prv. Yr.
As Tax Audit/Income Tax	Rs. NIL	Rs. NIL Prv. Yr.
As Other Matter	Rs. NIL	Rs. NIL Prv. Yr.

(12) Earning per share is calculated by dividing profit by no. of shares.

(13) There is no Additional information pursuant to para (3) & (4) of part II of Schedule VI of the Companies Act, 1956.

(14) The Company has not provided for impairment of assets as the company has discarded old assets and purchased new assets. The construction part is not yet completed, hence taken in to Capital-work-in-progress.

As per our attached Report of even date  
FOR **SHIRISH DALAL & ASSOCIATES..**  
Chartered Accountants

For and on behalf of the Board  
**For Cromakem Limited**

**Sd/-**  
Shirish Dalal  
Proprietor  
M. Ship No. 8996

**Sd/-**  
**Bhavik Badani**  
M.D.

**Sd/-**  
**Suryakant Shah**  
Director

Place : Mumbai  
Date : 01-09-2014

CROMAKEM LIMITED  
A/6, NASIB APTT., AMBAWADI (ELLISBRIDGE), BEHIND APOLLO HOSPITAL,  
NEAR PARIMAL UNDER BRIDGE, AHMEDABAD(GUJ.)-380007

PROXY FORM

I/We \_\_\_\_\_ Of  
Being a member/members of above named Company hereby appoint of  
\_\_\_\_\_ or failing him / her  
\_\_\_\_\_ of \_\_\_\_\_  
as may / our proxy to attend and vote on my / our behalf at the Annual General Meeting of the  
Company to be held on 30-09-2014 or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

Affix Rupee One Revenue Stamp Here
--

Note : This instrument of proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting

CROMAKEM LIMITED  
A/6, NASIB APTT., AMBAWADI (ELLISBRIDGE), BEHIND APOLLO HOSPITAL,  
NEAR PARIMAL UNDER BRIDGE, AHMEDABAD(GUJ.)-380007

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDENCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

1. Name of the attending Member \_\_\_\_\_
  2. Member's Folio Number \_\_\_\_\_
  3. Name of the Proxy (In Block Letters) \_\_\_\_\_  
(To be filled in if the Proxy attends instead of the Member)
- (No. of Shares held: -----)

I hereby record my presence at the Annual General Meeting at the registered Office of the company on 30-09-2014 or at any adjournment thereof.

Member's / Proxy Signature