

Annual Report of

Munak Chemicals Limited

For The Year

2016-2017

Munak Chemicals Limited

BOARD OF DIRECTORS

Name of Director	Category of Director
Mrs. Rita Garg	Chairman & Director
Mr. Manthan Bhavsar	Director
Mr. Prabhu Datt Sharma	Director

AUDITORS

Hemant C Parikh & Co.
Chartered Accountants
Block-A, 3-Ravjibhai Apartment,
Opp. Kanan Flats, Nr. Pallavi Tower
Opp. Navrangpura Fire Station,
Navrangpura, Ahmedabad-380009

REGISTERED OFFICE

5458, Hazi Rattan Gate,
Mini Secretariat Bathinda- Punjab -151005
E-mail Id: munakchem1980@gmail.com
Website: www.munakchem.co.in

MUNAK CHEMICALS LIMITED

Regd. Office: 5458, Hazi Rattan Gate Mini Secretariat Bathinda- Punjab -151005
Email id: munakchem1980@gmail.com CIN: L24299PB1980PLC004147



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty Seventh Annual General Meeting of the Members of **MUNAK CHEMICALS LIMITED** will be held on Friday, 29th September, 2017 at 11.00 A.M. at the registered office of the Company at House No. #5458, Hazi Rattan Gate, Mini Secretariat, Bathinda-151 005 (Punjab) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2017 and the Statements of Profit & Loss for the year ended on that date together with the reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Rita Garg, Director (DIN-00236464) who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint of Statutory Auditors to Fill Casual Vacancy

To consider and if thought fit, with or without modification (s), the following resolution as an ORDINARY RESOLUTION:-

“RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s. Hemant C. Parikh & Co., Chartered Accountants, Ahmedabad be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. S. C. Dewan & Co., Chartered Accountants, Chandigarh.”

“RESOLVED FURTHER that Hemant C. Parikh & Co., Chartered Accountants, Ahmedabad be and are hereby appointed as Statutory Auditors of the Company from this Annual General Meeting and that they shall hold the office of the Statutory Auditors of the Company from the conclusion of this meeting until the conclusion of the Annual General Meeting which will be held in the year 2022 (subject to ratification at every Annual General Meeting) on such remuneration as may be fixed by the Board of Directors in consultation with them.”

SPECIAL BUSINESS

4. **To Regularize the Appointment of Mr. Manthan Bhavsar (DIN:05208214) as Regular Director of the Company:**

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

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“RESOLVED THAT pursuant to provisions of Section 161 and all other applicable provisions of the Companies Act 2013 and Articles of Association of the Company, Mr. Manthan Bhavsar (DIN: 05208214), who was appointed as an Additional Director by the Board of Directors w.e.f. 31/12/2016, who is eligible to be appointed as Director of the Company u/s 152 of the Companies Act, 2013 be and is hereby appointed as Director of the company whose term of office liable to determination for retire by rotation.”

“RESOLVED FURTHER THAT any of the Director of the company be and is hereby authorised to file Form DIR-12 and make necessary entries in the Statutory register and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution.”

5. To Appoint Mr. Manthan Bhavsar as Managing Director of the Company:

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

“RESOLVED THAT in accordance with the provisions of sections 196, 197 and Schedule V of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to the approval of the members of the Company, the Company be and is hereby approved appointment of Mr. Manthan Bhavsar as Managing Director of the company with effect from 14/08/2017 for the period of three year, as per the terms of appointment placed before the meeting.

“RESOLVED FURTHER THAT the Managing Director shall be responsible for the overall supervision of the company’s operations, day-today administration, appointment and termination of employees, operating of the company’s bank accounts with power to sign cheques, promissory notes, bills of exchange, etc. and for regular reporting of the company’s activities to the Board of Directors and for performing the duties that may be delegated to the Managing Director from time to time, subject to the overall supervision and control of the Board of Directors.”

“RESOLVED FURTHER THAT Mr. Manthan Bhavsar, appointed as as Managing Director of the company on such terms and at remuneration detailed herein, which is within the limits as prescribed under Section 197 read with Schedule V of the Companies Act, 2013 and the said remuneration was based on the recommendations of the Remuneration Committee.”

Tenure

The appointment of Mr. Manthan Bhavsar as the Managing Director shall be valid for a period of three year from 14/08/2017.

Remuneration:

Salary: NIL with authority to the Board of Directors of the Company to grant such

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increments as it may determine from time to time

Sitting fees: As per Rule as may be decided by the Board of Directors of the Company

6. **Change of name of the Company from "MUNAK CHEMICALS LIMITED" to "SAPTAK CHEM AND BUSINESS LIMITED":**

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

"**RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification or re-enactments thereof for the time being in force) and other Regulations, if any, and subject to the approval of the Central Government, the consent of the Members of the Company be and is hereby accorded to change the name of the Company "Munak Chemicals Limited" To "Saptak Chem And Business Limited" and the existing clause I of the Memorandum of Association of the Company be substituted by the following clause."

"**I. The name of the Company is** " Saptak Chem and Business Limited."

"**RESOLVED FURTHER THAT** consequent to the aforesaid change, the name "Munak Chemicals Limited" wherever appearing in the Memorandum and Articles of Association of the Company be substituted by "Saptak Chem and Business Limited ".

"**RESOLVED FURTHER THAT** Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and expedient to give effect to aforesaid Resolution."

**For & on behalf of the Board of Director of
Munak Chemicals Limited**

Date: 14/08/2017

Place: Bhatinda

**Sd/-
Manthan Bhavsar
Director
DIN: 05208214**

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NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxies, in order to be effective, must be lodged at the registered office of the Company not later than 48 hours before the meeting.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 23rd September, 2017 to Friday, 29th September, 2017 (both days inclusive).
3. The Company has appointed M/s. MCS Share Transfer Agent Limited, as its Registrars and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents, transfers, Demat request, change of address intimation and other communication in relation thereto with respect to shares in electronic and physical form should be addressed to the Registrars directly quoting Folio No., full name and name of the Company as Munak Chemicals Ltd.
4. Members/proxies should bring the attendance slip duly filled in for attending the Meeting.
5. Members are requested to bring their copies of the Annual Report to the Meeting.
6. Members desiring any information on accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready for reply.
7. Munak Chemicals Limited is concerned about the environment and utilize natural resources in sustainable way. The Ministry of corporate Affairs (MCA), Government of India, through its circular nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011, respectively, has allowed companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance.

Recognizing the spirit of the circular pertaining to Green Initiatives, issued by the MCA, we henceforth propose to send documents like the notice convening the general meetings, financial statements, Directors' Report, Auditors' Report etc. to the email address provided by you with your depositories.

We request you to update, your email address with your depository participant to ensure that the annual report and other documents reach you on your preferred email.

8. Members holding shares in physical form are requested to notify to the company's Registrar and share Transfer Agent, M/s. MCS Share Transfer Agent Limited quoting

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their folio, any change in their registered address with pin code and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participant.

9. Corporate Members intending to send their authorized representatives under Section 113 of the Companies Act, 2013, are requested to send a duly certified copy of the board resolution authorizing their representatives to attend and vote at the Meeting.
10. In case of joint holding, the joint holder whose name stands first, as per the Company's records, shall alone be entitled to vote.

11. Voting through Electronic means:

Pursuant to Section 108 of the Companies Act, 2013, read with the Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014 in pursuance with the directions issued by SEBI vide Circular No. CIR/CFD/DIL/6/2012 dated 13th July, 2014, the Company is pleased to provide the facility to Members to exercise their right at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

A. The instructions for members for voting electronically are as under:-

- (i) The remote e-voting period begins on 26th September, 2017 (11.00 a.m.) and ends on 28th September, 2017 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2017, 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) Log on to the e-voting website www.evotingindia.com
- (iv) Click on "Shareholders" tab.
- (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 and voted on an earlier voting of any company, then your existing password is to be used.

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(viii) If Demat account holder has forgotten his/her existing password then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.

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

	For Members holding shares in Demat Form and Physical Form
PAN	<p>For demat shareholders: Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department. (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none">• 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)

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly 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 'Munak Chemicals Limited'.
- (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.

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- (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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) Note for Non-Individual Shareholders & Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to help desk. Voting@cdslindia.com.
 - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
 - The list of accounts should be mailed to 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.
- (xix) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.
- B. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September 2017.
- C. A copy of this notice has been/ shall be placed on the website of the Company and the website of CDSL.
- D. Mr. Hemant C. Parikh, Practicing Chartered Accountant (Membership No. FCA 031780) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- E. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make not later than three days of conclusion of the meeting, a consolidated

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Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing who shall countersign the same.

- F. In the terms of regulation 31 of SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is sent along with this Notice. A member desiring to exercise vote by Ballot shall complete the said Ballot Form with assent (for) or dissent (against) and send it to Mr. Hemant C. Parikh, Scrutinizer, having office address at Block-A, 3-Ravjibhai Apartment, Opp. Kanan Flats, Nr. Pallavi Tower, Opp. Navrangpura Fire Station, Navrangpura, Ahmedabad-380009, Tel. No: 9825838629, E-mail: hemkhem@rediffmail.com so as to reach her on or before 28th September, 2017 by 5.00 p.m. Any Ballot Form received after the said date and time shall be treated as if the reply from the Members has not been received.
- G. The facility for voting through ballot shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting/ ballot shall be able to exercise their voting right at the meeting.
- H. The members who have casted their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- I. The Results shall be declared on or after the Annual General Meeting of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.rmhil.com within 3 (three) days of conclusion of the annual general meeting and will be communicated to BSE Limited, who are required to place them on their website. The same shall also be placed on the website of CDSL.

**For & on behalf of the Board of Director of
Munak Chemicals Limited**

Date: 14/08/2017

Place: Bhatinda

**Sd/-
Manthan Bhavsar
Director
DIN: 05208214**

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Annexure to the Notice

Explanatory Statement under Section 102(1) of the Companies Act, 2013:

Notes on directors seeking appointment/re-appointment as required under SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 entered into with Stock Exchanges:

ITEM NO. 2

Details of Director seeking reappointment at Annual General Meeting:

Name	:	Mrs. Rita Garg
Date of birth	:	09/08/1953
Qualification	:	Graduate
Director of the Company since	:	10/12/2002
Directorship in other public limited companies	:	Nil
Membership of Committees of other public limited companies	:	Nil
No. of Shares held in the Company	:	46502

ITEM NO. 3

M/s. S. C. Dewan & Co., Chartered Accountants, Chandigarh have tendered their resignation from the position of Statutory Auditors due to unavoidable circumstances, resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"). Casual vacancy caused by the resignation of auditors can only be filled up by the Company in general meeting. Board proposes that M/s. Hemant C. Parikh & Co., Chartered Accountants, Ahmedabad, be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. S. C. Dewan & Co., Chartered Accountants, Chandigarh. M/s. Hemant C. Parikh & Co., Chartered Accountants, Ahmedabad, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

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Item No. 4 To Regularize Appointment of Mr. Manthan Bhavsar (DIN:05208214) as Regular Director of the Company:

Mr. Manthan Bhavsar (DIN:05208214) was appointed as an additional director of the company with effect from 31/12/2016, pursuant to provision of Section 161 of the Companies Act, 2013. The Company has appointed himself as an Non-Executive Director of the Company under section 152 of the Companies Act, 2013 and whose term of office liable to determination for retirement by rotation.

None of the Directors of the Company are interested in the said resolution.

Name	Mr. Manthan Rajeshbhai Bhavsar
Date of birth	18/07/1988
Director of the Company since	31/12/2016
Directorship in other public limited companies	Nil
Membership of Committees of other public limited companies	Nil
No. of Shares held in the Company	Nil

ITEM NO. 5: To Appoint Mr. Manthan Bhavsar (DIN:05208214) as Managing Director of the Company:

Profile of Mr. Manthan Bhavsar, Director being appointed u/s 152 of the Companies Act, 2013

Name	Mr. Manthan Bhavsar
Date of Birth	18/07/1988
Date of Appointment	31/12/2016
No. of shares held in the company	Nil
No. of warrants held in the company	Nil
Directorship in other listed company	Nil

Tenure

The appointment of Mr. Manthan Bhavsar (DIN:05208214) as the Managing Director shall be valid for a period of 3 year from 14/08/2017.

Terms of Appointment

Salary: NIL with authority to the Board of Directors of the Company to grant such increments as it may determine from time to time

Sitting fees: As per Rule as may be decided by the Board of Directors of the Company.

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Mr. Manthan Bhavsar, being experienced, entrepreneur and a successful businessman having experience in various type of industrial activity and has been spending his precious time and energy for day to day affairs of the Company. Therefore, the consent of the members is sought for appointment of Mr. Manthan Bhavsar, as the Managing Director of the Company.

None of the Director of the Company in any way concern and interested.

ITEM NO: 6 Change of name of the Company from "MUNAK CHEMICALS LIMITED" to "SAPTAK CHEM AND BUSINESS LIMITED":

The Company was incorporated as a Public limited Company on 12th March, 1980. The company was engaged in business of manufacturers, importers, exporters and deals in all kinds of organic and inorganic chemicals and chemicals product, it is good for company to change the name of the company for business development.

According to the consultation from astrologer, to boost up the business of the Company and for future development, Board of Directors of the Company want to change the name of the Company from "Munak Chemicals Limited" to "Saptak Chem and Business Limited".

Due to change of name of the Company, Memorandum and Articles of Association of the company will be changed.

A copy of the draft amendment to the Memorandum of Association incorporating the changes referred in the special resolution is available for inspection to the members at the Company's registered office on any working day between 10:00 a.m. to 4:00 p.m. up to the date of the closing hours of acceptance of ballot papers.

Hence, the Board requests the Shareholders to pass the aforementioned resolution as a special resolution, with or without modification.

No directors, in any way, except their shareholdings, concerned or interested in the resolution.

**For & on behalf of the Board of Director of
Munak Chemicals Limited**

**Date: 14/08/2017
Place: Bhatinda**

**Sd/-
Manthan Bhavsar
Director
DIN: 05208214**

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DIRECTOR'S REPORT

To the Members,

Your Directors take pleasure in presenting the 37th Annual Report of the Company together with the Audited Statements of Accounts for the financial year ended 31st March, 2017.

FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous year figures is given hereunder:

Particulars	(Amount in Rs.)	
	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Net Sales /Income from Business Operations	778000	0
Other Income	13432	8834
Total Income	791432	8834
Less Interest	0	0
Other Expenses	764376	980261
Profit before Depreciation	27057	(971427)
Less Depreciation	0	0
Profit after depreciation and Interest	27057	(971427)
Less Current Income Tax	6764	0
Less Previous year adjustment of Income Tax	0	0
Less Deferred Tax	0	0
Net Profit after Tax	20292	(971427)
Dividend (including Interim if any and final)	0	0
Net Profit after dividend and Tax	20292	(971427)
Amount transferred to General Reserve	0	0
Balance carried to Balance Sheet	20292	(971427)
Earning per share (Basic)	0.00	0.00
Earning per Share(Diluted)	0.00	0.00

OPERATIONS

During the year under review the total income was Rs. 791432/- as compared to Rs. 8834/- of that of the previous Year. After making all necessary provisions for current year and after taking into account the current year net Loss, the negative surplus carried to Balance Sheet is Rs. 12,97,20,757/-

NATURE OF BUSINESS

The Company is engaged in the Business of trading in salt industry.

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TRANSFER TO RESERVES

Out of the profits available for appropriation, no amount has been transferred to the General Reserve and the balance amount of Rs. 20,292/- has been carried forward to Reserves and Surplus.

SUBSIDIARIES/JOINT VENTURE/ASSOCIATES COMPANIES

Your company does not have any subsidiary/joint venture or associate company within the meaning of Companies Act, 2013.

DIVIDEND

The Company has not declared any dividend for the year under review.

SHARE CAPITAL

The Issued Equity Share Capital as on March 31, 2017 was Rs. 10,73,22,720 /-

During the year under review, the company has not changed its capital.

A) Issue of equity shares with differential rights:

During the year under review, the Company has not issued any shares with differential voting rights.

B) Issue of sweat equity shares

During the year under review, the Company has not issued any sweat equity shares.

C) Issue of employee stock options

During the year under review, the Company has not issued any sweat equity shares.

D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence the details under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed.

FINANCE

The Company has not borrowed any fund from Bank or financial institution during the year under review.

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FIXED DEPOSITS

The company has not accepted any Fixed Deposits from the public during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.

No loans, guarantees or investment under Section 186 of the Companies Act, 2013 have been given by the company.

EMPLOYEE RELATIONS

Employee relations throughout the Company were harmonious. The Board wishes to place on record its sincere appreciation of the devoted efforts of all employees in advancing the Company's vision and strategy to deliver good performance.

PARTICULARS OF EMPLOYEES

The provisions of Rule 5(2) & (3) of the Companies (Appointment & remuneration of Managerial Personnel) Rules, 2014 requiring particulars of Employees in receipt of remuneration in excess of Rs. 102 lacs per year to be disclosed in the Report of Board of Director are not applicable to the company as none of the Employees was in receipt of remuneration in excess of Rs. 102 lacs during the financial year 2016-17.

BUSINESS RISK MANAGEMENT

Risk management is embedded in your company's operating framework. Your company believes that managing risk helps in maximizing returns. The company's approach to addressing business risk is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee. Some of the risks that the company is exposed to are:

Commodity Price Risks

The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. The company proactively manages these risks through forward booking, Inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigation the impact the impact of price risk on finished goods.

Regulatory Risks

The company is exposed to risks attached to various statues and regulations including the

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company Act. The company is mitigating these risks through regular review of legal compliances carried out through internal as well as external compliance audits.

Human Resources Risks

Retaining the existing talent pool and attracting new talent are major risks. The company has initiated various measures including rolling out strategic talent management system, training and integration of learning and development activities.

Strategic Risks

Emerging businesses, capital expenditure for capacity expansion, etc., are normal strategic risk faced by the company. However, the company has well-defined processes and procedures for obtaining approvals for investments in new business and capacity expansion etc.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. During the year under review, the company retained services of external audit firm named M/s. Sandeep Manuja & Associates, Ludhiana to review its existing internal control system with a view of tighten the same and introduce system of self certification by all the process owners to ensure that internal controls over all the key business processes are operative.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adequate of internal financial controls with reference to the Financial Statements during the year under review.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.munakchem.co.in

MUNAK CHEMICALS LIMITED

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Email id: munakchem1980@gmail.com CIN: L24299PB1980PLC004147



DIRECTORS

a) Changes in Directors and Key Managerial Personnel:

Mrs. Rita Garg will retire at the forthcoming Annual General Meeting of the Company and being eligible, offer himself for reappointment.

During the year Mr. Vijay Kumar Garg has resigned from Directorship of the Company with effect from 09/01/2017 and Mr. Manthan Bhavsar was appointed as an Additional Director of the Company with effect from 31st December, 2016. During the year under review, the company has appointed Mr. Rashmikant Mankodi as a Company Secretary cum Compliance Officer of the Company w.e.f. 20/03/2017.

b) Declaration by an Independent Director(s) and reappointment, if any

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015.

c) Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

d) Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

e) Number of Meetings of the Board of Directors and Audit Committee

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year nine Board Meetings and one Independent Directors' meeting and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company during the year under review.

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DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. that in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

There is no related party transaction during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

AUDITORS

A. Statutory Auditors

M/s. Hemant C. Parikh & Co., Chartered Accountants, Ahmedabad be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. S. C. Dewan & Co., Chartered Accountants, Chandigarh. The Board of

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Directors of the company recommend appointment of M/s. Hemant C. Parikh & Co., Chartered Accountants, Ahmedabad from the conclusion of this meeting until the conclusion of the Annual General Meeting which will be held in the year 2022 (subject to ratification at every Annual General Meeting).

B. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure -A".

Reply to the qualification Remarks in Secretarial Audit Report:

- a) 100% promoter holding is not in de-mat form as required under Regulation 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The Company is in process of achieve 100% promoter holding in de-mat form.

- b) The Company has not published notice of meeting of the board of directors where financial results shall be discussed and financial results, as required under Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Though the Company has not published notice for Financial Result, and financial result, the company has uploaded the same on Website of the company and also submitted to BSE Limited also.

- c) Securities of the company are under suspension on BSE Limited. However, the company has made application to BSE Limited for revocation of suspension during the year under review.

The company has made application to BSE Limited for revocation of suspension and the same is under process.

CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

Your Company is committed to the tenets of good Corporate Governance and has taken adequate steps to ensure that the requirements of Corporate Governance as laid down in Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015 are complied with.

As per Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015, the Corporate Governance Report, Management Discussion and Analysis and the Auditor's Certificate regarding compliance of conditions of Corporate Governance

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are attached separately and form part of the Annual Report.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is Nil.

EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure-B".

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

During the financial year 2016-17, the company has not received any complaints on sexual harassment and hence no complaints remain pending as of 31 March, 2017.

MATERIAL CHANGES AND COMMITMENT

No material changes and commitments affecting the financial position of the company occurred between the end of the financial year to which this financial statements relate on the date of this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Provision of Section 135 of the Company Act, 2013 are not applicable since the company does not fall under Category of Rule 9 of the Corporate Responsibility Rules 2014.

ACKNOWLEDGEMENTS

Your Directors wish to convey thanks to all concerned departments of Central, State Governments for their continued co-operation.

Your Directors also express their appreciation of the dedication shown by the employees of the Company during the year.

For Munak Chemicals Limited

PLACE: BATHINDA

DATED: 14TH AUGUST, 2017

**Sd/-
RITA GARG
DIRECTOR
DIN-00236464**

**Sd/-
MANTHAN BHAVSAR
DIRECTOR
DIN: 05208214**

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2017

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

To,

The Members,

Munak Chemicals Limited (CIN: L24299PB1980PLC004147)

5458, Hazi Rattan Gate, Mini Secretariat,

Bathinda - 151005

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Munak Chemicals Limited** (hereinafter called "the company") for the audit period covering the financial year ended on 31st March, 2017. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2017, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956, to the extent it is applicable.
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) 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;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) 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;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015

I have also examined compliance of the following to the extent applicable:

- (i). Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (effective from 01st July, 2015); under the provisions of Companies Act, 2013; and

I have relied upon the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under applicable Acts, Laws and Regulations to the Company, as identified and confirmed by the management of the company. According to Representation letter, acts applicable to the Company are all General Laws such Direct and Indirect Taxation related, Labour Laws and other incidental laws of respective States.

On the basis of my examination and representation made by the Company, I report that during the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above and there are no material non-compliances that have come to my knowledge except non compliance in respect of:

- a) 100% promoter holding is not in de-mat form as required under Regulation 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- b) The Company has not published notice of meeting of the board of directors where financial results shall be discussed and financial results, as required under Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- c) Securities of the company are under suspension on BSE Limited. However, the company has made application to BSE Limited for revocation of suspension during the year under review.

I Further Report that, there were no actions/ events in pursuance of:

- a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014

requiring compliance thereof by the Company during the period under review

I 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

I further report that there are 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.

I further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs except the following:

1. The company has allotted 15,00,000 equity shares on 07/02/2000 and 5,00,000 equity shares on 01/03/2001. However listing and trading approval for the same was pending from stock exchange.

Date: 14/08/2017

Place: Jaipur

Signature: Sd/-

Name of Practicing Company Secretary: Preeti Jain

C. P. No.: 10118

M. No.: 28265

Note: This report is to be read with my letter of even date which is annexed as ANNEXURE-I and forms an integral part of this report.

Annexure I

To,
The Members,
Munak Chemicals Limited (CIN: L24299PB1980PLC004147)
5458, Hazi Rattan Gate, Mini Secretariat,
Bathinda - 151005

My report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. 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.

Date: 14/08/2017
Place: Jaipur

Signature: Sd/-
Name of Practicing Company Secretary: Preeti Jain
C. P. No.: 10118
M. No.: 28265

i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	1409488	1409488	13.13	0	1409488	1409488	13.13	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	6250600	6250600	58.24	0	6250600	6250600	58.24	0
c) Others (HUF)	0	0	0	0	0	0	0	0	0.00
Non Resident Indians	0	49050	49050	0.46	0	49050	49050	0.46	0.00
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	8164090	8164090	76.07	0	8164090	8164090	76.07	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	8685770	8685770	80.93	0	8685770	8685770	80.93	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	10732272	10732272	100	0	10732272	10732272	100	0

B) Shareholding of Promoter-

S N	Share holder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	Rita Garg	46502	0.43	00	46502	0.43	00	00
2	Alpha Antibiotics Ltd	1350000	12.58	00	1350000	12.58	00	00
3	Kesho Ram Leasing Ltd	150000	1.4	00	150000	1.4	00	00
4	Munak Engineers (P) Ltd	500000	4.66	00	500000	4.66	00	00

	Total	2046502	19.07	00	2046502	19.07	00	00
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C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	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	Rita Garg				
	At The Beginning Of The Year	46502	0.43	46502	0.43
	Date Wise Increase / Decrease In Promoters Shareholding During The Year Specifying The Reasons For Increase / Decrease (E.G. Allotment /Transfer / Bonus/ Sweat Equity Etc.):	----	----	----	----
	At The End Of The Year	46502	0.43	46502	0.43
2	Alpha Antibiotics Ltd				
	At The Beginning Of The Year	1350000	12.58	1350000	12.58
	Date Wise Increase / Decrease In Promoters Shareholding During The Year Specifying The Reasons For Increase / Decrease (E.G. Allotment /Transfer / Bonus/ Sweat Equity Etc.):	----	----	----	----
	At The End Of The Year	1350000	12.58	1350000	12.58
3	Kesho Ram Leasing Ltd				
	At The Beginning Of The Year	150000	1.4	150000	1.4
	Date Wise Increase / Decrease In Promoters Shareholding During The Year Specifying The Reasons For Increase / Decrease (E.G. Allotment /Transfer / Bonus/ Sweat Equity Etc.):	----	----	----	----
	At The End Of The Year	150000	1.4	150000	1.4
4	Munak Engineers (P) Ltd				
	At The Beginning Of The Year	500000	4.66	500000	4.66
	Date Wise Increase / Decrease In Promoters Shareholding During The Year Specifying The Reasons For Increase / Decrease (E.G. Allotment /Transfer / Bonus/ Sweat Equity Etc.):	----	----	----	----
	At The End Of The Year	500000	4.66	500000	4.66

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	Top 10 Shareholders	Shareholding at the beginning of the year		Details of Change			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Increase or Decrease in Shareholding	Reason	No. of shares	% of total shares of the company
1	Pulkit Shah	1096500	10.22		No Change		1096500	10.22
2	Saurabh D Patel	1063300	9.91		No Change		1063300	9.91
3	Minaben H Shah	1051000	9.79		No Change		1051000	9.79
4	Jaydeep Suthar	1037400	9.67		No Change		1037400	9.67
5	Deepak Kapre	1000000	9.32		No Change		1000000	9.32
6	Tapasya Kamalkumar Sheth	974900	9.08		No Change		974900	9.08
7	3a Capital Services Limited	305250	2.84		No Change		305250	2.84
8	Industrial Finance Corp. Of India	212280	1.98		No Change		212280	1.98
9	ICICI Trusteeship Services Ltd	200100	1.86		No Change		200100	1.86
10	Canara Bank Mutual Fund	104200	0.97		No Change		104200	0.97
11	Munak Holdings Ltd	101747	0.95		No Change		101747	0.95
12	Kiran Sood	15300	0.14		No Change		15300	0.14
13	Suresh D. Gandhi	12200	0.11		No Change		12200	0.11

E) Shareholding of Directors and Key Managerial Personnel:

S N	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	Rita Garg				
	At The Beginning Of The Year	46502	0.43	46502	0.43
	Date Wise Increase / Decrease In Promoters Shareholding During The Year Specifying The Reasons For Increase / Decrease (E.G. Allotment /Transfer/ Bonus/ Sweat Equity Etc.):	-----	-----	-----	-----
	At The End Of The Year	46502	0.43	46502	0.43

F) INDEBTEDNESS -

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	16266728	Nil	16266728
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	16266728	Nil	16266728
Change in Indebtedness during the financial year				
* Addition	Nil	7976618	Nil	7976618
* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	7976618	Nil	7976618
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	24243347	Nil	24243347
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	24243347	Nil	24243347

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

The company has not given any remuneration to any director of the company during the year under review.

B. Remuneration to other directors:

The company has not given any remuneration to any director of the company during the year under review.

C. Remuneration to Key Managerial Personnel Other Than MD /Manager / WTD

The company has not given any remuneration to any director of the company during the year under review.

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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)
A. COMPANY					
Penalty					
Punishment	Nil				
Compounding					
B. DIRECTORS					
Penalty					
Punishment	Nil				
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment	Nil				
Compounding					

For Munak Chemicals Limited

PLACE: BATHINDA

DATED: 14TH AUGUST, 2017

Sd/-
RITA GARG
DIRECTOR
DIN-00236464

Sd/-
MANTHAN BHAVSAR
DIRECTOR
DIN: 05208214

Report on Corporate Governance
[Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors of the Company gives due support to the principles behind the good Corporate Governance. Given below is a report on Corporate Governance:

A. Mandatory Requirements

1. Company's philosophy on code of Corporate Governance

The Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the law coupled with total adherence to highest norms of business ethics. These two main drivers, together with the company's ongoing contributions to the local communities, it operates in through meaningful and relevant Corporate Social Responsibility initiatives add to enhance the stakeholders value.

The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities surrounding our plant and facilities, transparency in decision making process and fair & ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. These practices are being followed since the inception and have contributed to the company's sustained growth.

2. Board of Directors:

2.1 Composition of the Board:

The Board of Directors as at 31st March, 2017 comprises of three non executive directors. Ms. Rita Garg, Active Director of the Company and he conducts the day to day management of the Company, subject to the supervision and control of the Board of Directors. The independent directors on the Board are senior, competent and highly respected persons from their receptive fields:

Name of the Director	Category	No. of other Directorships held	No. of other Board Committee(s) of which he/she is a member (Excluding this company)	No. of other Board Committee(s) of which he/she is a chairman (Excluding this company)
Mr. Vijay Kumar Garg*	Promoter-Executive	4	Nil	Nil
Mrs. Rita Garg	Non Executive Non Independent	4	Nil	Nil
Mr. P.D Sharma	Non Executive Independent	Nil	Nil	Nil

Manthan Rajeshbhai Bhavsar#	Non-Executive Independent Director	1	Nil	Nil
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#The Board had appointed Mr. Manthan Bhavsar as Additional Director of the Company with effect from 31st December, 2016.

* Mr. Vijay Kumar Garg has resigned from Directorship of the Company with effect from 09/01/2017. The Board sincerely appreciates his association with the Company and the support which he has rendered during his tenure.

In accordance with the Provision of the Companies Act, 2013 and Articles of Association of the Company Mrs. Rita Garg, Director (DIN-00236464) of the company shall retire by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment.

2.2 Responsibilities of the Board

The responsibility such as policy formulation, performance review and analysis and control, direction and management of the affairs of the company is vested in the Board of Directors presided over by the Chairman and Managing Director. The Board has delegated some of its powers to the executives of the company. The Board reviews from time to time such delegated powers and their utilization for effective functioning of the Company.

2.3 Meeting and Attendance Record of Directors

The meetings of the Board of Directors are held at periodical intervals and are generally at the registered office of the Company, Ahmedabad. The meeting dates are decided well in advance and the agenda and notes on agenda are circulated in advance to the directors. All material information is incorporated in the notes on agenda for facilitating meaningful and focused discussion at the meeting. Where it is not perusable to attach supporting or relevant documents to the agendas, the same is tabled before the meeting. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Senior Management persons are often invited to attend the Board Meetings and provide clarifications as and when required.

During the Financial year 2016-2017, 9 (Nine) Board meeting were held during the year, they are as follows:

30/04/2016	05/08/2016	31/10/2016	31/12/2016
09/01/2017	16/01/2017	07/03/2017	17/03/2017
20/03/2017			

The composition, attendance and other memberships of the Board of Directors of the company is as follows: Attendance of Directors at Meetings of Board of Directors and last AGM:

Name of the Director	Designation	Category	No. of Board meetings attended	Attendance at last AGM
Mr. Vijay Kumar Garg*	Managing Director	Executive	4	Yes
Mrs. Rita Garg	Director	Director/ Executive	9	Yes
Mr. P.D Sharma	Director	Director/ Non Executive	9	Yes
Manthan Rajeshbhai Bhavsar#	Director	Director/ Non Executive	5	N.A.

*resigned with effect from 09.01.2017

#appointed on 31.12.2016

Extra Ordinary General Meeting:

No extraordinary general meeting was held during the year under review.

2.4 Details of Directors seeking re-appointment at the ensuing Annual General Meeting

As per the provisions of the Companies Act, 2013, two third of the directors of a company should be retiring directors, of which one third of such directors are required to retire every year and if eligible, they qualify for re-appointment.

Mrs. Rita Garg retires by rotation at the ensuing Annual General Meeting and offer him for re-appointment.

Profile of Mrs. Rita Garg Director being appointed u/s 152 of the Companies Act, 2013

Name	Mrs. Rita Garg
Date of Birth	09/08/1953
Date of Appointment	10/12/2002
No. of shares held in the company	46502
Directorship in other company	Nil

2.5 Details of Directors who are as Chairman and Directors in other Public Companies

None of the Directors on the Board is a member or Chairman of any Committees (as specified in SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015 across all the Companies in which he is a director. The necessary disclosure regarding Directorship and Committee position have been made by the Directors who are on the Board of the Company as on 31st March, 2017 and the same is reproduced herein below:

Sr. No.	Name of Director	No of Directorship in other Public Companies (Excluding this company)	No. of Committees positions held as Chairman on other public Companies (Excluding this company)	No. of Committees positions held as member in other public Company (Excluding this company)
1.	Mrs. Rita Garg	--	--	--
2.	Mr. P.D Sharma	--	--	--
3.	Manthan Rajeshbhai Bhavsar#	--	--	--

#appointed on 31.12.2016

INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 29th March, 2017, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

On appointment of an individual as Independent Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal familiarisation program. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation Programme also provides

information relating to the financial performance of the Company and budget and control process of the Company.

EVALUATION OF THE BOARD'S PERFORMANCE

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

In terms of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Chairman & Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code.

PREVENTION OF INSIDER TRADING

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulation, 2015 ("The PIT Regulations"). The PIT regulations has come into effect from May 15, 2015 and replaced the earlier Regulations. The object of the PIT Regulation is to curb the practice of insider trading in the securities of a listed company.

The company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by insiders' ("the code") in accordance with the requirements of the PIT regulations.

The Code is applicable to promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations.

The company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulation, 2015. This Code is displayed on the Company's website <http://www.munakchem.co.in>

3. COMMITTEE OF BOARD:

The Company had four Board Committees. These are

1. Audit Committee
2. Remuneration Committee
3. Share Transfer & Shareholders/Investor Grievance Committee

All the decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference for the Committee is taken by the Board of Directors. Details of the role and composition of these Committees are provided below:

3.1 Audit Committee:

Composition:

As on 31-03-2017, the Audit Committee comprised of three Directors namely:

Mr. Prabhu Datt Sharma	Chairman	Director
Mr. Manthan Bhavsar	Member	Director
Mrs. Rita Garg	Member	Director

The Audit Committee of the Board of Directors, Inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

The audit committee while reviewing the Annual Financial Accounts ensures compliance of the Accounting Standard (AS) issued by the Institute of Chartered Accountants of India.

TERMS OF REFERENCE:

The scope of activities of the Audit Committee includes the following:

1. Oversight of financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions;
 - g) modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review the functioning of the whistle blower mechanism;
 19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Audit Committee mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses; and
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Audit Committee invites such of the executives as it considers appropriate (Particularly the head of the finance function), representatives of the statutory Auditors.

During the year under review, the 4 Audit Committee was held during Financial Year 2016-17. The dates on which the said meetings were held as follows:

30/04/2016	05/08/2016	31/10/2016	16/01/2017
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3.2 Nomination and Remuneration Committee:

The Remuneration Committee reviewing the overall compensation policy, service agreements and other employments and other employment conditions of Managing / Whole time Directors and Managing Director:

Details of Remuneration of Executive / Non-Executive Directors for the financial year ended 31st March, 2017

The Company has not paid remuneration to directors of the Company.

The Composition of remuneration committee are as under;

Mr. Prabhu Datt Sharma	Chairman	Director
Mr. Manthan Bhavsar	Member	Director
Mrs. Rita Garg	Member	Director

Remuneration Committee constituted for the purpose of considering remuneration of executive and non-executive directors.

Non- Executive Director

The Company has not paid any sitting fees to any of the Directors of the Company.

Remuneration Policy

Payment of remuneration to the Managing/Whole Time Director is governed by the respective Agreements executed between them and the company. These agreements were approved by the Board and the Shareholders. Their Remuneration structure comprises salary, perquisites and allowances.

Terms of reference of the Committee inter alia, include the following:

Nomination of Directors / Key Managerial Personnel / Senior Management*

1. To evaluate and recommend the composition of the Board of Directors;
2. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
3. Consider and recommend to the Board appointment and removal of directors, other persons in senior management and key managerial personnel (KMP);
4. Determining processes for evaluating the effectiveness of individual directors and the Board as a whole and evaluating the performance of individual Directors;
5. To administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS;
6. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
7. To review HR Policies and Initiatives.

Remuneration of Directors / Key Managerial Personnel / Senior Management*/ other Employees

1. Evolve the principles, criteria and basis of Remuneration policy and recommend to the Board a policy relating to the remuneration for all the Directors, KMP, Senior Management and other employees of the Company and to review the same from time to time.
2. The Committee shall, while formulating the policy, ensure the following:
 - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - b) Remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

* Senior Management for the above purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

NOMINATION & REMUNERATION POLICY:

1. Purpose of this Policy:

The company has adopted this Policy on appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management (the "Policy") as required by the provisions of Section 178 of the Companies Act, 2013 (the "Act") and the provisions of SEBI (Listing obligation and Disclosure Requirement) Regulations, 2015.

The purpose of this Policy is to establish and govern the procedure applicable:

- a) To evaluate the performance of the members of the Board.
- b) To ensure that remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Committee should ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Definitions:

Independent Director means a director referred to in Section 149(6) of the Act and the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, as amended from time to time.

Key Managerial Personnel (the "KMP") shall mean "Key Managerial Personnel" as defined in Section 2(51) of the Act.

Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Senior Management means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads.

Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed thereunder or in the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 or the Accounting Standards shall have the meanings assigned to them in these regulations.

Composition of the Committee:

The composition of the Committee is / shall be in compliance with the Act, Rules made there under and the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, as amended from time to time.

4. Role of the Committee:

The Committee shall:

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy;
- c) Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;
- d) Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;
- e) To devise a Policy on Board diversity.

5. Criteria for Determining the followings:-

5.1 Qualifications for appointment of Directors (including Independent Directors)

- a) Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service;
- b) Their financial or business literacy/skills;
- c) Their textile industry experience;
- d) Other appropriate qualification/experience to meet the objectives of the Company;
- e) As per the applicable provisions of Companies Act, 2013, Rules made thereunder and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

5.2 Positive attributes of Directors (including Independent Directors):

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively;
- Actively update their knowledge and skills with the latest developments in the railway/heavy engineering/infrastructure industry, market conditions and applicable legal provisions;
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities;
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company;
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees;
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as amended from time to time.

5.3 Independence Standards

The following would be the independence review procedure and criteria to assist the Committee to evaluate the independence of Directors for recommending to the Board for appointment. A Director is independent if the Board affirmatively determines that the Director does not have a direct or indirect material relationship with the Company, including its affiliates or any member of senior management. "Affiliate" shall mean any company or other entity that controls, is controlled by, or is under common control with the Company.

Also, the candidate shall be evaluated based on the criteria provided under the applicable laws including Companies Act, 2013 read with Rules thereon and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relating to a director's independence.

Independence Review Procedures

1. Annual Review

The director's independence for the independent director will be determined by the Board on an annual basis upon the declaration made by such Director as per the provisions of the Companies Act, 2013 read with Rules thereon and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

2. Individual Director's Independence Determinations

If a director nominee is considered for appointment to the Board between Annual General Meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules thereon and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

3. Notice of Change of Independent Status

Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his or her independence at issue.

5.4 Criteria for appointment of KMP/Senior Management

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities;
- To practice and encourage professionalism and transparent working environment;
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission;
- To adhere strictly to code of conduct

5.5 Term

The Term of the Directors including Managing / Whole time Director / Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, as amended from time to time.

Whereas the term of the KMP (other than the Managing / Wholetime Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

5.6 Evaluation

The Committee shall carry out evaluation of performance of every Director.

The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.

5.7 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

6. Remuneration of Managing / Whole-time Director, KMP and Senior Management

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole time Director will be governed by the relevant provisions of the Companies Act, 2013 and applicable Rules and Regulations and will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required. Further, the Chairman & Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.

7. Remuneration to Non-executive / Independent Director

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, as amended from time to time.

3.3 Share Transfer & Shareholders'/Investor Grievance Committee:

The Share Transfer & Shareholders' / Investor Grievance committee comprises as under:

Name	Designation
Mr. Prabhu Datt Sharma	Chairman
Mr. Manthan Bhavsar	Member
Mrs. Rita Garg	Member

The committee is responsible for approving and monitoring transfers, transmission, splitting and consolidation of shares issued by the Company. In addition to that, the committee also monitors redressal of complaints from shareholders relating to transfer of shares, non-receipt of balance sheet etc., No sitting fees is paid to the committee members. The Committee reviewed redressal of investors Grievances pertaining to share transfer, dematerialization of shares, replacement of lost, mutilated and old share certificates, change of address etc. The committee has also taken steps to strengthening investors relations.

The status of shareholders' complaints received so far/number not solved to the satisfaction of shareholders/number of pending share transfer transactions (as on 31st March, 2017) is given below:-

Complaints Status: 01.04.2016 to 31.03.2017

- Number of complaints received so far : 3
- Number of complaints solved : 3
- Number of pending complaints : 0

There were 2 meetings of member of the Committee held on 09/01/2017 and 18/01/2017 during the year under review.

4. GENERAL BODY MEETING:

a. Location and time where last three AGMs were held:

Year of AGM	Date of the AGM	Time	Place of AGM Held
2016	30/09/2016	11.30 a.m.	House No. 5458, Hazi Rattan Gate, Mini Secretariat, Bathinda-151 005 (Punjab).
2015	30/09/2015	11.30 a.m.	House No. 5458, Hazi Rattan Gate, Mini Secretariat, Bathinda-151 005 (Punjab).
2014	30/09/2014	11:30 a.m.	House No. 5458, Hazi Rattan Gate, Mini Secretariat, Bathinda-151 005 (Punjab).

2016

No special business had been transacted in the said Annual General Meeting.

2015

No special business had been transacted in the said Annual General Meeting.

2014

No special business had been transacted in the said Annual General Meeting.

5. DISCLOSURES:

a. Materially significant related party transactions:

The company was not entered into any related party transaction during the year under review and there were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

b. During the last three Years, there were no penalties, strictures imposed by either SEBI or stock Exchange or any statutory authority for non- Compliance of any matter related to the capital market.

6. MEANS OF COMMUNICATIONS:

The presentation as to the Company's performance etc., are made to the Institutional Investors/Financial Analysts as and when felt expedient.

The Company's financial results and officials news releases are displayed on the Company's website i.e. www.munakchem.co.in

The Management Discussions and Analysis Report forms part of the Directors Report and is given separately

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, 2017, no Protected Disclosures have been received under this policy.

In pursuance of Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 The Vigil Mechanism/ Whistle Blower Policy has been uploaded on the website of the Company at www.munakchem.co.in

7. GENERAL SHAREHOLDER INFORMATION:

a. Annual General Meeting: 29th September, 2017

Date, Time and venue: 11:00 A.M. at the Registered Office of the Company.

b. Financial Year: 1st April, 2016 to 31st March, 2017.

c. Financial Calendar:

i. 1st quarterly results – second week of August, 2017

ii. 2nd quarterly results – second week of November, 2017

iii. 3rd quarterly results – second week of February, 2018.

iv. 4th quarterly results – Last week of May, 2018.

d. Date of Book Closure: 23rd September, 2017 to 29th September, 2017 (both days inclusive)

e. Dividend Payment Date: N.A.

f. Listing of Equity Shares on Stock Exchanges:

BSE Limited Annual listing fees for the financial Year up to 31.03.2017 has been paid.

g. Stock Code: BSE 506906

h. Demat ISIN number: **INE467X01015**

I. Market Price of the Companies: Since, trading in securities of the company are suspended, the company does not have details required to mention under this head.

j. Performance of the Company's shares in comparison with broad based indices as BSE's Sensex: Since, trading in securities of the company are suspended, the company does not have details required to mention under this head.

k. Registered and Transfer Agent: The Company has appointed MCS Share Transfer Agent Limited as the common agency both in respect of demat shares and physical mode.

l. Share Transfer System: All the transfers are received and processed by share Transfer agents and are approved by share transfer committee. Share Transfer requests received in physical form are registered within 30 days and demat requests are confirmed within 15 days.

m. Distribution of Shareholding as on March 31, 2017.

No of Equity shares held	No. of shareholders	Percentage of Total share holders	No. of Shares held	Percentage of total share held
Upto 500	8819	95.73	966498	9.00
501 - 1000	243	2.64	208555	1.94
1001 - 2000	75	0.81	112450	1.04
2001 -- 3000	25	0.27	64440	0.60
3001 --4000	14	0.15	50400	0.47
4001 --5000	5	0.05	23100	0.21
5001--10000	14	0.15	86150	0.80
10001-50000	3	0.03	74002	0.69
500001-100000	1	0.01	101747	0.95
Above 100000	13	0.14	9044930	84.28
Total	9212	100 %	10732272	100 %

n. Shareholding pattern as on 31st March, 2017

Category	No. of share held	% of shareholding
a. Promoters and persons who may be deemed to be acting in concert including promoter/directors	2046502	19.07%

group Companies		
b. FI's/Bank/Mutual Funds	521180	4.86%
c. Other bodies corporate	454952	4.24%
c. Indian public	7709638	71.84%
Total	10732272	100%

Dematerialization of shares: As on 31-03-17 Demat shares accounted for 0% of total equity.

o. Outstanding GDR / ADR / Warrants: NA

p. Top 10 Shareholders as on 31st March, 2017 (Other than Promoters):

Details of the same are mentioned in Extract of Annual Return i.e. MGT-9 attached with the Director Report

q. Address for Correspondence:

House No. 5458, Hazi Rattan Gate,
Mini Secretariat, Bathinda-151 005

Declaration of compliance with the code of conduct

All the Directors and senior management personal have, respectively, affirmed compliance with the code of conduct as approved and adopted by the Board of Directors.

For Munak Chemicals Limited

PLACE: BATHINDA

DATED: 14TH AUGUST, 2017

**Sd/-
RITA GARG
DIRECTOR
DIN-00236464**

**Sd/-
MANTHAN BHAVSAR
DIRECTOR
DIN: 05208214**

CEO/CFO Certification

We the undersigned, in our respective capacities as managing Director and Chief Financial Officer of Munak Chemicals Limited ("the Company") to the best of our knowledge and belief certify that:

We Certify that --

- a. We have reviewed the financial statements and the cash flow statement for the year 2016-17 and that to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2016-17 which are fraudulent, illegal or violative of the Company's code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee
 - Significant changes in internal control over the financial reporting during the year 2016-17
 - Significant changes in accounting policies during the year 2016-17 and that the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which we have become aware and the therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

**By Order of the Board
For Munak Chemicals Limited**

**PLACE: BATHINDA
DATED: 14TH AUGUST, 2017**

**Sd/-
RITA GARG
DIRECTOR
DIN-00236464**

**Sd/-
MANTHAN BHAVSAR
DIRECTOR
DIN: 05208214**

CERTIFICATE ON FINANCIAL STATEMENTS

To,
The Members,
MUNAK CHEMICALS LIMITED

We, have hereby certify that:

1. We have reviewed the financial statements and the cash flow statements of Munak Chemicals Limited for the financial year 2016-17 and to the best of our knowledge and belief, we state that:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - a. significant changes in internal control over financing reporting during the year;
 - b. significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
 - c. that there were no Instances of significant fraud that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

**By Order of the Board
For Munak Chemicals Limited**

**PLACE: BATHINDA
DATED: 14TH AUGUST, 2017**

**Sd/-
RITA GARG
DIRECTOR
DIN-00236464**

**Sd/-
MANTHAN BHAVSAR
DIRECTOR
DIN: 05208214**

Compliance Certificate

To,
The Members,
MUNAK CHEMICALS LIMITED,

We have examined the compliance of condition of Corporate Governance by Munak Chemicals Limited, for the year ended March 31, 2017 as stipulated in Regulation 17,18,19,20,21,22,23,24,25,26,27 and clauses (b) to (i) of sub- regulation (2) of regulation 46 and para C, D and E of schedule V of the securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (collectively referred to as "SEBI Listing Regulation, 2015).

The compliance of conditions of corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance note on certification of corporate Governance, issued by the institute of Chartered Accountant of Indian and was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us,

We certify that such compliance is neither as assurance as to the future viability of the company nor the efficient with which the management has conducted the affairs of the company.

**For Hemant C. Parikh & Co.,
Chartered Accountants**

**Place: Ahmedabad
Date: 14/08/2017**

**Sd/-
Hemant C. Parikh
(Proprietor)
M. No. 031780**

MUNAK CHEMICALS LIMITED

Regd. Office: 5458, Hazi Rattan Gate Mini Secretariat Bathinda- Punjab -151005
Email id: munakchem1980@gmail.com CIN: L24299PB1980PLC004147



MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL REVIEW:-

The Fertilizer Industry has been adversely affected due to the adverse Policies of Govt. of India, as a result thereof; margins have been under pressure due to withdrawal of subsidy.
Business Segment

a) Industry structure and development.

The most of the Fertilizer Plants in India are lying closed. The development of the Industry wholly depends upon the policies of Govt. of India.

b) Opportunities and threats.

The opportunities are being explored to diversify in other areas as the SSP Fertilizer in India is facing threat from low demand on one side and withdrawal of subsidy by Govt. on the other side. As such other business opportunities are being looked into.

c) Risks and concerns.

The Company has already closed the operation and there had been a Nil turnover of SSP, the mass product of the Company.

d) Outlook.

So far as SSP Industry is concerned, the future is very bleak due to availability of Imported Fertilizer and other substitute at more economical prices and drastic reduction in demand due to various reasons.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate system of internal control in order to ensure that all transactions are authorized, recorded and reported correctly. Regular internal audit checks are carried out to ensure that adequate systems are in place. The management continuously reviews the internal control systems and procedures to ensure orderly and efficient conduct of business. The emphasis of internal control prevails across functions and processes covering the entire activities of the company.

COMPANY'S FINANCIAL PERFORMANCE AND ANALYSIS

Other matters such as operational and financial performance have been discussed under the respective heads in the Directors' Reports.

MUNAK CHEMICALS LIMITED

Regd. Office: 5458, Hazi Rattan Gate Mini Secretariat Bathinda- Punjab -151005
Email id: munakchem1980@gmail.com CIN: L24299PB1980PLC004147



HUMAN RESOURCE DEVELOPMENT/INDUSTRIAL RELATIONS

Our employees continue to be the backbone of our organization. Our efforts are towards instilling a level of competency in the work force. The human resource has to be more dynamic and result oriented in the present day business environment.

For Munak Chemicals Limited

PLACE: BATHINDA

DATED: 14TH AUGUST, 2017

**Sd/-
RITA GARG
DIRECTOR
DIN-00236464**

**Sd/-
MANTHAN BHAVSAR
DIRECTOR
DIN: 05208214**

Independent Auditor's Report

**To the Members of
Munak Chemicals Limited**

Report on the Financial Statements

We have audited the accompanying (Standalone) financial statements of Munak Chemicals Limited. ("the Company") which comprise the Balance Sheet as at **31st March, 2017**, the Statement of Profit and Loss, Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the (Standalone) 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 (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 (Standalone) 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 there under.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 (Standalone) financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) 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, of the state of affairs of the Company as at 31 March 2017, and its Profit/Loss and its Cash Flow for the period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, 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 purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid (Standalone) 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 **31st March 2017** taken on record by the Board of Directors, none of the directors is disqualified as on **31st March 2017** 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) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has providing requisite disclosures in its standalone financial statements as to holding as well as dealing in specified bank notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of account maintained by the company.

**For Hemant C. Parikh & Co.,
Chartered Accountants**

Place: Ahmedabad

Date: 30/05/2017

**Sd/-
Hemant C. Parikh
(Proprietor)
M. No. 031780**

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the period ended **31st March 2017**;

- 1) (a) The Company does not have any fixed assets. Hence, maintenance of records for the same is not applicable;

(b) Not Applicable

(c) Not Applicable.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.

(b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security made.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, the company has not entered into any related party transactions during the year under review. Hence, disclosure of details of the same are not applicable.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him.

Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Hemant C. Parikh & Co.,
Chartered Accountants**

Place: Ahmedabad

Date: 30/05/2017

**Sd/-
Hemant C. Parikh
(Proprietor)
M. No. 031780**

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of MUNAK CHEMICALS 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 MUNAK CHEMICALS LIMITED. (“the Company”) as of **31st March 2017** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management 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 Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 control 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, assigning a 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 judgment, including the assessment of the risks of material misstatement of the 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 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 managements 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 the 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 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 **31st March 2017**, 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 Hemant C. Parikh & Co.,
Chartered Accountants**

Place: Ahmedabad

Date: 30/05/2017

Sd/-
**Hemant C. Parikh
(Proprietor)
M. No. 031780**

MUNAK CHEMICALS LIMITED**BALANCE SHEET AS AT 31ST MARCH, 2017**

PARTICULARS	NOTE NO.	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	107221110	107221110
(b) Reserves and Surplus	2	(129720757)	(129741049)
(c) Money Received Against share warants	3	0	0
(2) Share Application money	4	0	0
(3) Non-current liabilities			
(a) Long Term Borrowing	5	24243347	21746222
(b) Deferred Tax Liabilities (Net)	6	0	0
(c) Other Long Term Liabilities	7	0	0
(d) Long Term Provisions	8	0	793382
(4) Current liabilities			
(a) Short Term Borrowing	9	0	0
(b) Trade Payable	10	0	0
(c) Other current liabilities	11	0	249939
(d) Short Term Provisions	12	71864	86650
TOTAL		1815564	356254
II. ASSETS			
(1) Non-current assets			
(a) Fixed Assets	13	100557	0
(b) Non-current investments	14	0	0
(c) Deferred Tax Assets (Net)	15	0	0
(d) Long-term loans and advances	16	0	0
(e) Other Non Current Assets	17	0	0
(2) Current assets			
(a) Current Investments	18	0	0
(b) Inventories	19	0	0
(c) Trade Receivable	20	723000	0
(d) Cash and cash equivalents	21	471480	94496
(e) Short Term Loans & Advances	22	120000	0
(f) Other current assets	23	400527	261758
TOTAL		1815564	356254
Significant Accounting Policies and Other Explanatory Notes and Information	30		

Auditors Report as per our Seprate Report of even date annexed

For Hemant C. Parikh & Co.,

Chartered Accountant

For Munak Chemicals Limited

Sd/-
Hemant C. Parikh
(PROPRIETOR)
M. NO. 031780

Sd/-
(MANTHAN BHAVSAR)
DIRECTOR
DIN: 05208214

Sd/-
(RITA GARG)
DIRECTOR
DIN-00236464

Place : Ahmedabad
Date : 30th May, 2017

Place : Bathinda
Date : 30th May, 2017

MUNAK CHEMICALS LIMITED**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31.03.2017**

PARTICULARS	NOTE NO.	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Revenue from Operations	24	778000	0
Other Income	25	13432	8834
Total Revenue		791432	8834
Expenses			
Change in Inventories of Finished Goods, Work In Progress & Stock In Trade	26	0	0
Employee Benefit Expenses	27	513337	552550
Financial Expenses	28	0	0
Other Expenses	29	251039	427711
Total Expenses		764376	980261
Profit/ (Loss) for the year		27057	(971427)
Provision for Tax		6764	0
Net Profit / (Loss) Transferred		20292	(971427)
Earning Per Share:			
(1) Basic		0.00	0.00
(2) Diluted		0.00	0.00

Auditors Report as per our Seprate Report of even date annexed
For Hemant C. Parikh & Co.,
Chartered Accountant

For Munak Chemicals Limited

Sd/-
Hemant C. Parikh
(PROPRIETOR)
M. NO. 031780

Sd/-
(MANTHAN BHAVSAR)
DIRECTOR
DIN: 05208214

Sd/-
(RITA GARG)
DIRECTOR
DIN-00236464

Place : Ahmedabad
Date : 30th May, 2017

Place : Bathinda
Date : 30th May, 2017

MUNAK CHEMICALS LIMITED

NOTES TO ACCOUNTS

(1) SHARE CAPITAL

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
AUTHORISED		
11000000 (Previous year 11000000) Equity Shares of Rs. 10/- each	<u>110000000</u>	<u>110000000</u>
ISSUED SUBSCRIBED, CALLED & PAID UP		
10732272 (Previous year 10732272) Equity Shares of Rs. 10/- each	107322720	107322720
LESS : CALLS-IN-ARREAR Other than Directors	101610	101610
TOTAL SHARE CAPITAL	<u>107221110</u>	<u>107221110</u>

The reconciliation of number of shares outstanding is set out below:

Particulars	31st March, 2017		31st March, 2016	
	Equity Shares Number		Equity Shares Number	
Equity Shares at the beginning of the year	10732272		10732272	
Shares Issued	0		0	
Shares cancelled	0		0	
Equity Shares at the end of the year	10732272		10732272	

The detail of Shareholders holding more than 5% shares.

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Saurabh Patel	1063300	9.91%	1063300	9.91%
Tapsya Sheth	974900	9.08%	974900	9.08%
Meena Shah	1051000	9.79%	1051000	9.79%
Pulkit Shah	1096500	10.22%	1096500	10.22%
Jaydeep Suthar	1037400	9.67%	1037400	9.67%
Deepak Kapre	1000000	9.32%	1000000	9.32%

(2) RESERVES & SURPLUS

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Loss Brought forward	(129741049)	(128769622)
Add: Profit / (Loss) for the year	20292 (129720757)	(971427) (129741049)
TOTAL RESERVES & SURPLUS	<u>(129720757)</u>	<u>(129741049)</u>

(3) Money Received against share Warrants

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Money Received against share Warrants	0	0
	<u>0</u>	<u>0</u>

MUNAK CHEMICALS LIMITED**(4) Share Application Money received**

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Share Application Money received	0	0
	<u>0</u>	<u>0</u>

(5) Long Term Borrowing

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
LOAN AND ADVANCES		
Unsecured :		
A) Inter Corporate Deposit :		
Munak Engineers Pvt. Ltd.	10167718.24	2830760
Vijay Kumar Garg Contractor Pvt. Ltd.	13824628.43	13435968
Sharanam Infraproject and Trading	251000	
	<u>24243347</u>	<u>16266728</u>
B) From Director	0	5479494
	<u>0</u>	<u>5479494</u>
TOTAL LOANS & ADVANCES(A + B)	<u>24243347</u>	<u>21746222</u>

(6) Deffered Tax Liability

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Deffered Tax Liability	0	0
	<u>0</u>	<u>0</u>

(7) Long Term Liabilities

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Long Term Liabilities	0	0
	<u>0</u>	<u>0</u>

(8) Long Term Provisions

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Gratuity Payable	0	793382
	<u>0</u>	<u>793382</u>

(9) Short Term Borrowing

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Short Term Borrowing	0	0
	<u>0</u>	<u>0</u>

MUNAK CHEMICALS LIMITED**(10) Trade Payable**

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Trade Payable	0	0
	<u>0</u>	<u>0</u>

(11) Other Current Liabilities

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Salary & other allowances Payable	0	189136
Rent Payable	0	60803
	<u>0</u>	<u>249939</u>

(12) Short Term Provisions

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Expenses Payable	2000	8991
Rent Payable	2200	2200
P.F. Payable	10110	11737
E.S.I. Payable	1237	1217
T.D.S. Payable	2266	1030
Salary Payable	47287	46525
Audit Fee Payable	0	14950
Provision for Tax	<u>6764</u>	<u>86650</u>
	<u>71864</u>	<u>86650</u>

(13) Fixed Assets

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Tangible Assets		
Computer	<u>100557</u>	<u>0</u>
	<u>100557</u>	<u>0</u>

Note: Computer is delivered on 31-03-2017 hence depreciation for the year is not claimed

(14) Non Current Investments

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Non Current Investments	0	0
	<u>0</u>	<u>0</u>

MUNAK CHEMICALS LIMITED**(15) Deferred Tax Assets (Net)**

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Deferred Tax Assets (Net)	0	0
	<u>0</u>	<u>0</u>

(16) Long Term Loans & Advances

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Security Deposit	0	0
	<u>0</u>	<u>0</u>

(17) Other Non Current Assets

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Other Non Current Assets	0	0
	<u>0</u>	<u>0</u>

(18) Current Investment

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Current Investment	0	0
	<u>0</u>	<u>0</u>

(19) Inventory

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Inventory	0	0
	<u>0</u>	<u>0</u>

(20) Trade Receivable

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Trade Receivable (Unsecured and considered good unless other wise stated)		
- Outstanding for a period of exceeding Six Month	0	0
- Less than six months.	723000	0
	<u>723000</u>	<u>0</u>

MUNAK CHEMICALS LIMITED**(21) Cash & Cash Equivalents**

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
- Cash-in hand	369637	87722
- Balance with Scheduled Banks in C/A	101843	6774
	471480	94496

(22) Short Term Loans & Advances

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Inter Corporate Deposit receivable	120000	0
	120000	0

(23) Other Current Assets

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
- Advance against rent	370351	252924
- Interest accrued but not due	667	7947
- Tax deducted at source	753	887
- BSE Revocation fee capitalised	28756	0
	400527	261758

MUNAK CHEMICALS LIMITED**(24) Revenue From Operation**

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Revenue From Operation	778000	0
TOTAL	778000	0

(25) OTHER INCOME

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Interst received	13432	8834
TOTAL	13432	8834

(26) CHANGE IN INVENTORIES OF FINISHED GOODS, WIP & STOCK IN TRADE

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Increase/Decrease in Stock		
Opening Stock	0	0
Add:Purchase	0	0
Less:Closing Stock	0	0
TOTAL	0	0

(27) EMPLOYEE BENEFIT EXPENSES

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Salary, Wages & Other Allowances Staff	427350	432015
Cont. to ESI	10766	10598
Cont. to PF	56329	63703
Gratuity	10492	41885
Welfare Expenses	8400	4349
TOTAL	513337	552550

(28) FINANCIAL EXPENSES

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Financial Expenss	0	0
TOTAL	0	0

MUNAK CHEMICALS LIMITED**(29) OTHER EXPENSES**

PARTICULARS	AS AT 31ST March, 2017 (Rs.)	AS AT 31ST March, 2016 (Rs.)
Rent	112157	78147
Electricity & Water Charges	43565	34858
Telephone & Mobile	2200	51947
Travelling Charges	705	880
Printing & Stationary Charges	20000	112665
Postage Charges	22769	92608
Legal & Professional Charges	30000	37500
Payment to Auditor		
- Audit fee	0	13000
- Service Tax	0	1950
- Service Tax Difference of earlier year	0	541
Fee & Subscription	0	1280
News Paper & Periodicals	18000	1070
Bank charges	1643	1265
	251039	427711

Note No.: 30: Significant Accounting Policies:

a) Basis of Preparation of Financial Statements:

These financial statements have been prepared to comply with the generally accepted accounting principles in India (Indian GAAP), including the Accounting standards notified under the relevant provisions of the Companies Act, 2013. The company has prepared these financial statements to company in all material respects with the Accounting standards, notified under Section 133 of the Companies Act, 2013 ("the Act") read together with paragraph 7 of the Companies (Accounts) Rules 2014 to reflect the financial position and the results of operations of Munak Chemicals Limited.

The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupees.

b) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP required judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

c) Fixed assets:

Tangible Assets:

The Company does not have any fixed assets during the year under review.

Intangible Assets:

There is no assets in the books of company which can be accounted as intangible assets.

d) Depreciation, Amortization and Depletion:

Tangible Assets:

The Company does not have any fixed assets during the year under review.

Intangible Assets:

There is no intangible asset in the books of company.

e) Investments:

Current investments are carried at lower of cost and quoted / fair value, computed category wise. Noncurrent investments are stated at cost. Provision for diminution in the value of noncurrent investments is made only if such a decline is other than temporary.

f) Foreign Currency transactions:

The Company does not have any Foreign Currency transactions during the year under review.

g) Current assets:

Inventories:

Items of inventories are measured at cost of Purchase. Cost of inventories comprises of cost of purchase and other costs including overheads incurred in bringing them to their respective present location and condition.

Sundry debtors:

Sundry debtors are stated at realisable value. Other loans and advances are stated at realisable value.

h) Prior period and non-recurring items

Prior period and non-recurring and extra ordinary items are disclosed separately, if material.

i) Income Taxes:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing difference between taxable income and accounting income for the period and reversal of timing differences of earlier year / period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

j) Provisions, Contingent liabilities and contingent assets:

Provision is recognized in the accounts when there is a present obligation as a result of part event(s) and it is probable that an outflow of resources will be

required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

k) Revenue Recognition:

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, service tax, excise duty and sales during trial run period, adjusted for discounts (net), and gain / loss on corresponding hedge contracts.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Excise duty / Service tax:

Excise duty / service tax is accounted on the basis of both, payments made in respect of goods cleared / services provided and provisions made for goods lying in bonded warehouses.

l) Employees Benefits:

Company's contribution to provident fund are charged to profit & loss account. Gratuity provision is made on the basis of actuarial valuation and leave encashment expenses are accounted for on payment basis.

m) Impairment of Asset :

At each balance sheet date the carrying amount of the asset is tested for impairment. If there is an indication of impairment, the company estimates the recoverable amount of assets. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is tested as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that the previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

n) Borrowing cost:

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the profit and loss statement in the period in which they are incurred.

o) Earnings per Share (EPS):

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus elements in right issue to existing shareholders, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

p) Segment reporting:

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the company.

q) Cash and cash equivalents:

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

Notes to Account

During the year, the Company has specified bank note (SBNs) or other denomination notes as defined in the MCA notification G.S.R. 308(E) Dated March 31, 2017. The

details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification are as follows:

Particulars	SBNs	Other Denomination notes	Total
Closing cash in hand as on 08.11.2016	70000	309637	379637
(+) Permitted Receipt	---	---	---
(-) Permitted Payment	---	---	---
(-) Amount deposited in Bank	70000	---	70000
Closing Cash in hand as on 31.12.2016	Nil	309637	309637

Explanation of transition to Ina AS

Financial year 2016-17 has been a year of monumental change in the financial reporting landscape in India. From 1 April 2016, Indian Accounting Standards (Ind AS) converged with International Financial Reporting Standards (IFRS) is new accounting norm for listed and unlisted companies with net worth in excess of Rs. 500 crores (phase I). As the company is getting covered under phase II category of companies. Accordingly, for FY 2016-17, Ind AS will not be applicable to company. Company has followed and prepared its financial statements by following accounting standards under section 133 of Companies Act.

As per our report of even date

**For Hemant C. Parikh & Co
Chartered Accountants**

**Sd/-
Hemant C. Parikh
(Proprietor)
Membership No. 031780**

**Date: 30/05/2017
Place: Ahmedabad**

**For and on behalf of the Board of Directors
MUNAK CHEMICALS LIMITED**

Sd/-	Sd/-
RITA GARG	MANTHAN BHAVSAR
DIRECTOR	DIRECTOR
DIN-00236464	DIN: 05208214

**Date: 30/05/2017
Place: Ahmedabad**

Reg. Add: #5458, Hazi Rattan Gate, Mini Secretariat, Bathinda-151 005

**ATTENDANCE SLIP
ANNUAL GENERAL MEETING - 29th September, 2017 at 11.00 am**

DP Id.		Client Id. / Ben. A/c.	
Folio No.		No. of Shares	

I certify that I am a registered shareholder/Proxy for the registered shareholder of the Company.

I/We hereby record my/our presence at the **ANNUAL GENERAL MEETING** of the Company being held on **29th September, 2017 at 11.00 am** at #5458, Hazi Rattan Gate, Mini Secretariat, Bathinda-151 005.

Full Name of the Shareholder / Proxy (In Block Letter)

Signature

=====

Form No. MGT-11**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L24299PB1980PLC004147

Name of the company: MUNAK CHEMICALS LIMITED

Registered office: # 5458, Hazi Rattan Gate Mini Secretariat Bathinda - 151005.

Name of the member (s)	
Registered address	
E-mail Id:	
Folio No/ Client Id:	
DP ID:	

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

1. Name:
 Address:
 E-mail Id:
 Signature:....., or failing him,

2. Name:
 Address:
 E-mail Id:
 Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the 29th day of September, 2017 at 11.00 a.m. at #5458, Hazi Rattan Gate, Mini Secretariat, Bathinda-151005 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Description	For	Against
1	Adoption of Annual Accounts and Reports thereon for the financial year ended 31 st March, 2017		
2	To appoint Director in place of Mrs. Rita Garg who retires by rotation and being eligible offers himself for reappointment		
3	Appoint M/s. Hemant C. Parikh., Chartered Accountants, Ahmedabad, as Statutory Auditors of the Company		
4	To Regularize the Appointment of Mr. Manthan Bhavsar (DIN:05208214) as Regular Director of the Company		
5	To Appoint Mr. Manthan Bhavsar as Managing Director of the Company		
6	Change of name of the Company from "MUNAK CHEMICALS LIMITED" to "SAPTAK CHEM AND BUSINESS LIMITED":		

Signed this..... day of..... 20....

Signature of Shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Munak Chemicals Limited

If Undelivered, please return to:-
MCS Share Transfer Agent Limited
(Unit: Munak Chemicals Limited)
12/1/5, Manoharpukur Road,
Kolkata-700026

Munak Chemicals Limited

Roadmap for venue of AGM i.e. Registered Office of the company:

