



SADHANA NITRO CHEM LIMITED

CIN : L24110MH1973PLC016698

Registered Office : Hira Baug, 1st Floor, Kasturba Chowk (C .P. Tank),
Mumbai - 400 004, INDIA

Tel.: 022-23865629 / 23875630 • Fax : 022-23887235

E-mail : sadhananitro@sncl.com • Website : www.sncl.com

SNCL/SD/17/

August 10, 2017

Bombay Stock Exchange
P.J Towers
Dalal Street
Mumbai – 400001

Reference: Scrip Code: 506642

Subject: Compliance under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sir/Ma'am,

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Annual Report of the Company for the Financial Year 2016-17 duly approved and adopted by the members at the Annual General Meeting of the Company held on 02nd August, 2017 at Hirachand Gumanji Trust Hall, Hira Baug, 1st Floor Kasturba Chowk, C.P. Tank, Mumbai-400004.

Kindly take the above on record and acknowledge the receipt of the same.

Thanking You.

FORSADHANA NITROCHEM LIMITED

NITIN R JANI

COMPANY SECRETARY

Membership No: 4757

Add: Plot No. 177, Room No.16,

Jawahar Nagar Road No.2, Goregaon West,

Mumbai 400062

Encl. as above



Sadhana Nitro Chem Limited
44th Annual Report 2016-17

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BOARD OF DIRECTORS	Shri Asit D. Javeri	Chairman & Managing Director
	Shri Arvind R. Doshi	Independent Director
	Shri Priyam S. Jhaveri	Independent Director
	Shri Dharendra M. Shah	Independent Director
	Shri Pradeep N. Desai	Independent Director
	Shri Abhishek A. Javeri	Director & CFO
	Smt Seema A. Javeri	Executive Director-Administration

KEY MANAGERIAL PERSONNEL	Shri Nitin R. Jani	Company Secretary
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BANKERS	STATE BANK OF INDIA, Mumbai & Roha AXIS BANK LTD., Mumbai
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AUDITORS	V. SANKAR AIYAR & CO. Chartered Accountants 2-C. Court Chambers, 35, New Marine Lines, Mumbai- 400 020.
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REGISTERED OFFICE	HIRA BAUG, 1 st Floor, Kasturba Chowk (C.P. Tank), Mumbai- 400 004. Phone : 022-23865629 Fax : 022-23887235. E-mail : sadhananitro@sncl.com, Website : www.sncl.com
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CIN NO	L24110MH1973PLC016698
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FACTORY	47, M.I.D.C. Industrial Area, Roha, Dist, Raigad, Maharashtra 402 116
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REGISTRAR AND TRANSFER AGENT (RTA)	LINK INTIME INDIA PRIVATE LIMITED (Formerly known as Intime Spectrum Registry limited) C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400 083. Phones :022-49186000 Fax : 022-49186060 E-mail : rnt.helpdesk@linkintime.co.in
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NOTICE TO THE MEMBERS



NOTICE IS HEREBY GIVEN THAT THE FORTY-FOURTH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD AT SHETH HIRACHAND GUMANJI TRUST HALL, HIRA BAUG, 1st FLOOR, KASTURBA CHOWK (C.P. TANK) MUMBAI- 400004 ON WEDNESDAY ,THE 2ND AUGUST, 2017 AT 3.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Balance Sheet & Profit and Loss Account with Notes thereon and Cash Flow Statement for the Financial Year ended 31st March, 2017 together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Smt. Seema A. Javeri (DIN: 01768936) who retires by rotation and is eligible for re-appointment.
3. Appointment of Statutory Auditors of the Company.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, Messrs Chandrashekhar Iyer & Co, Chartered Accountants (Firm registration No:114260W), be and is hereby appointed as Auditors of the Company in place of the retiring auditors Messrs V. Sankar Aiyar & Co., Chartered Accountants (Firm registration No:109208W), to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Forty-Ninth AGM to be held in the year 2022 (subject to ratification of their appointment at every AGM), at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditors."

Registered Office:
Hira Baug, 1st Floor,
Kasturba Chowk, (C.P. Tank),
Mumbai - 400 004
CIN: L24110MH1973PLC016698
E-mail: sadhananitro@sncl.com
Date: 26th April, 2017.

By Order of the Board

N. R. Jani
Company Secretary
Membership No. 4757

NOTES:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. The proxy in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

Corporate members intending to send their Authorised Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf.

In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

2. The Company has appointed M/s. Link Intime India Private Limited RTA, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 as Registrars and Share Transfer Agents for Physical Shares. The said (RTA) is also the Depository interface of the Company with both NSDL & CDSL. Their Telephone No. 022-49186000, E-mail address: mt.helpdesk@linkintime.co.in, Fax No. 022-49186060.



However, keeping in view the convenience of Shareholders, documents relating to shares will continue to be received by the Company at its Registered Office. Telephone No. 022-23865629, Email: sadhananitro@sncl.com

3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days' notice in writing of the intention so to inspect is given to the Company
4. The Company has transferred the unpaid or unclaimed dividends upto the financial years 2007-08 from time to time on due dates, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amount lying with the Company as on 12th August, 2016 (date of last Annual General Meeting) on the website of the Company (www.sncl.com), as also on the website of the Ministry of Corporate Affairs.
5. Members who hold shares in electronic form are requested to mention their DP ID and Client ID number and those who hold shares in physical form are requested to mention their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the AGM.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.
7. The Register of Members and the Share Transfer Book of the Company will remain closed from Wednesday, the 26th July, 2017 to Wednesday, the 2nd August, 2017 (both days inclusive) for the purpose of Annual General Meeting.
8. All documents referred to in the accompanying notice and the explanatory statements are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays & Public holiday, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
9. Members are requested to notify immediately change of address, if any, to their Depository Participants (DPs) in respect of their electronic share accounts and Link Intime India Private limited (RTA), or to the Company at its Registered Office in respect of their physical shares.
10. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
11. Entrance Pass and Proxy Form is annexed. Members are requested to bring their duly filled in attendance slip with copy of Annual Report to the place of meeting.
12. Members who hold shares in Dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
13. Members desiring any information are requested to write to the Company 10 days in advance
14. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual reports, Notices, Circulars, etc. from the Company electronically.
15. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has specifically requested for a physical copy of the same.
16. The Members who have not yet registered their e-mail addresses are requested to register the same with RTA / Depositories. Members, who want to receive hard copies of all the communication, have to make a specific request to the Company by sending a letter in hard form in this regard to the RTA or the Company.
17. Pursuant to the provisions of Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations") and Secretarial Standards issued by the Institute of Company Secretaries of India, a brief note on the background and the functional expertise of the Directors of the Company seeking re-appointment along with the details of other Directorships, memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se is set out in the Brief Resume appended to this Notice.



18. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (LODR) Regulations, the Company is pleased to provide its members, as on the cut-off date being 26th day, of July, 2017, the facility to exercise their right to vote by electronic means on any or all of the businesses specified in the Notice, at the 44th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 30th July, 2017 (9:00 am) and ends on 1st August, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 26th July, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Depository Participants(s)]:
 - (I) Open email and open PDF file viz;"remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote a-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii) Click on Shareholder-Login
 - (iv) Put user ID and password as initial password/PIN noted in step (I) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" (E-voting Event Number) of Sadhana Nitro Chem Limited.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional & Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to snclshare@sncl.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Depository Participants(s) or requesting physical copy]:
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM

EVEN (E Voting Event Number)	User ID	User ID PASSWORD/PIN
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- (II) Please follow all steps from SL No. (ii) to SL No. xii) above, to cast vote.

- V. In case of any queries, you may refer the frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VI. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VIII. **The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company as on the cut of date 26th July, 2017.**
- IX. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 26th July, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- X. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Mrs. Kumudini Paranjape, Partner of M/s Makarand M Joshi & Co., Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and 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 shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.sncl.com and on the website of NSDL The results shall simultaneously be communicated to the Stock Exchange (BSE), Mumbai

**Brief Resume Of Director/s Seeking Appointment / Re-appointment:**

Pursuant to provisions of SEBI (LODR) Regulations and Secretarial Standards on General Meetings, relevant particulars of Directors seeking appointment / re-appointment in this AGM are given here below:

Name of the Director	Mrs. Seema A. Javeri
DIN	0001768936
Date of Birth / Age	05 th October, 1958
Date of original appointment	13 th February, 2014
Terms and Conditions of appointment	As per the resolution passed in the 42 nd AGM held on 11 th August, 2015
Areas of Expertise	Smt. Seema A. Javeri is Science Graduate and having experience and knowledge in Administration. Keeping in view the relevant expertise in Administration, she was appointed as Executive Director Administration.
Educational Qualifications	B.Sc.
Companies in which she holds Directorship	1. Manekchand Panachand Trading Investment Co Pvt Ltd 2. Life Style Networks Limited 3. Strix Wireless Systems Private Limited 4. Spidigo Net Private Limited
Other listed Companies in which she holds Directorship	NIL
Membership / Chairmanship of Board Committees	NIL
Shareholding	7327 Equity Shares.
Relationship with other Directors and KMPs	As per the resolution passed in the 42 nd AGM held on 11 th August, 2015
No. of board meetings attended during FY 2016 - 17	5 (Five)
Remuneration sought to be paid	As per the resolution passed in the 42 nd AGM held on 11 th August, 2015
Remuneration last paid	Rs.17,41,500 (2016 - 17)

Registered Office:
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Kasturba Chowk, (C.P. Tank),
Mumbai - 400 004
CIN: L24110MH1973PLC016698
E-mail: sadhananitra@sncl.com
Date: 26th April, 2017.

By Order of the Board

N. R. Jani
Company Secretary
Membership No. 4757



**To
The Members of
SADHANA NITRO CHEM LIMITED**

Your Directors take pleasure in presenting the 44th Annual Report together with Audited Financial Statements for the Financial Year ended 31st March, 2017.

1. FINANCIAL RESULTS

PARTICULARS	STANDALONE		CONSOLIDATED	
	2016 -17	2015 -16	2016 -17	2015 -16
Revenue from operations (Net) &	577 6	3524	5565	3603
Other Income				
Profit before Finance Cost, Depreciation, Exceptional item and Tax (EBIDTA)	900	223	863	215
Finance Cost	(482)	(507)	488	(509)
Depreciation	(192)	(200)	192	(200)
Profit/(Loss) before exceptional item and taxation	226	(484)	183	(494)
Exceptional Items	-	-	-	-
Tax Expense	-	-	-	-
Profit/(Loss) after tax	226	(484)	183	(494)

2. DIVIDEND

In view of the inadequate profit, your Directors do not recommend any dividend for the FY 2016-17. There is no unclaimed dividend which remains to be transferred to Investor Education & Protection Fund (IEPF).

3. REVIEW OF OPERATIONS

The total revenue of your company for the financial year ending 31st March, 2017 has been Rs. 5776 lakhs (PY Rs. 3524 lakhs).

The Company through fiscal responsibility and strong negotiations, has, despite working on the same working capital base, increased its production and subsequently its turnover. With the company's turnover increasing over 63% from the previous year the company is back in a healthy growth phase looking to increase the turnover going forward. Moreover, with the increase in production levels the company is back in the black and shall maintain in the coming years.

Due to the company's increased production levels, the company has reached a very competitive position in terms of product pricing with regards to global competitors. Due to this the company has a very strong order position. With additional working capital the company shall be able to maintain the same or higher growth rate going forward as it has in the last year over the previous year.

As a result, the EBIDTA from normal operation for 2016-17 was Rs. 900 lakhs (PY EBIDTA of Rs. 223 lakhs) which represents a growth of 303%. Moreover, the profit for the last quarter of 2016-17 from normal operation was of Rs. 152 lakhs (Last quarter of PY profit of Rs. 93 lakhs) There was profit of Rs. 226 Lakhs (PY loss of Rs. 484 Lakhs) from normal operation

4. EXPORTS

Your company has become increasingly competitive on the global front and along with it's portfolio of selling to North and South America, Japan, across Europe and Korea your company is now also selling significant exports to China. The Exports of your company during the year were Rs. 4,152 lakhs (PY Rs. 2,342 lakhs) showing a growth of 77% in export sales.

Exports constituted about 72% of the overall revenue from operation including other income. Company's Exports are well diversified in terms of product range as well as the Countries of Export.



5. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

5.1 As per Rule 8(1) of Chapter IX- Companies (Accounts) Rules, 2014 - Report on the performance and financial position of its wholly owned subsidiary- Anuchem B.V.B.A is presented here under.

Particulars	2016 (in Euro)	2015 (in Euro)
Turnover	1368851.36	778913.43
Profit before Finance Cost, Depreciation and Tax	10883.69	(8886.63)
Financial Expenses	5678.04	2862.35
Depreciation	0.00	0,00
Profit/(Loss) before tax expense	5205.65	(11748.98)
Tax Expense	0.0	0,00
Profit/(Loss) after tax	5205.65	(11748.98)

5.2 The Company has one wholly owned foreign subsidiary viz. Anuchem B.V.B.A. Belgium), and the Audited Financial Statements of the said subsidiary is considered for the purpose of preparing Consolidated Financial statements.

5.3 No Company has become/ceased to be a joint venture or associate during the FY 2016-17.

5.4 The performance and financial position / salient features of the financial statement of each of the subsidiaries, associates and joint venture companies for the year ended 31st March 2017 is given in Form AOC-1 and is attached and marked as 'Annexure-I' and forms part of the financial statements.

6. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. However as a matter of abundant caution, prior omnibus approval of Board of Directors and Members of the Company has been obtained under Section 188 of the Companies Act, 2013 for the transactions which are of a foreseen and repetitive nature. Approval of the Audit Committee has been obtained for all the related party transactions. There are 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.

The particulars of contracts or arrangements with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 in the Form AOC-2 is attached as 'Annexure-II'.

7. FINANCE

7.1 Deposits

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

7.2 Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given below:-

Sr. No	Particulars	Balance as on 31st March 2017	Balance as on 31st March 2016
A.	Loans given by the Company	--	--
B.	Guarantees given by the Company	--	--
C.	Investments in foreign Subsidiary and other bodies corporate made by the Company	7,71,550	7,71,550

8. Disclosures Under Section 134(3)(l) Of The Companies Act, 2013:

- 8.1 Subject to the approval of the Members in the Extra Ordinary General Meeting to be held on 22nd May, 2017, the Board has approved to re-classify the Authorized Share Capital of the Company divided into 1,00,00,000 Equity Shares of Rs. 10/- each and 1,10,00,000 Preference Shares of Rs. 10/- each.
- 8.2 The Board based on the recommendation of Nomination & Remuneration Committee subject to the approval of the Members in the Extra Ordinary General Meeting to be held on 22nd May, 2017 has approved to issue and allot Equity shares not exceeding 5,00,000 Equity Shares of the Company under the Employees Stock Option Scheme 2017.
- 8.3 The Board based on the recommendation of Nomination & Remuneration Committee subject to the approval of the Members in the Extra Ordinary General Meeting to be held on 22nd May, 2017 has also approved to issue and allot 114319 Equity shares of the Company as Sweat Equity shares to Mr. Abhishek A. Javeri, Executive Director & CFO for the services rendered by him since 1st April, 2016 on the basis of the valuation report dated 24th April, 2017 received from M/s. HEM Securities Limited, Category I Merchant Bankers.

9. ISO CERTIFICATION

Your Company has certification as per ISO 9001:2008, ISO 14001:2004 and OHSAS B.S. 18001:2007 granted by the certifying body RINA for development and manufacture of Chemical Intermediates.

10. INSURANCE

The assets of your Company are adequately insured. Your Company has also taken out suitable cover for Public Liability.

11. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate Internal Control System commensurate with the size and nature of its business. The preparation designing and documentation of Policy on Internal Financial Control are in place and implemented which will be reviewed periodically and modified suitably to ensure controls.

The internal audit functions are carried out by a separate firm of Chartered Accountants. The periodical audit reports, including significant audit observations and corrective actions thereon, are presented to the Chairman of the Audit Committee.

12. VIGIL MECHANISM /WHISTLE BLOWER AND RISK MANAGEMENT POLICY

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Company also adopted Risk Assessment Procedure. The details of the same are mentioned in the Corporate Governance Report.

13. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

13.1 Declarations by Independent Directors:

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 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13.2 Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) 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 & Remuneration and Stakeholder relationship Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

13.3 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.

13.4 Meetings

During the year Five (5) Board Meetings and Five (5) 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.

13.5 Appointment of Key Managerial Personnel (KMP)

Shri Abhishek A. Javeri, Non-Executive Director of the Company was appointed as an Executive Director as on 27th May, 2016 on the recommendation of the Nomination & Remuneration Committee.

13.6 Retirement by rotation

In accordance with the provisions of the Act, none of the Independent Directors is liable to retire by rotation.

As per the provisions of Section 152 of the Companies Act, 2013, Ms. Seema A. Javeri retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. Your Directors recommend your approval to her re-appointment.

14. AUDIT COMMITTEE

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The details of Composition and meetings Audit Committee held has been mentioned in the Corporate Governance Report.

15. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

The details of composition of the Committee and the number of meetings held by the committee are mentioned in the Corporate Governance Report.

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

Major criteria / gist are defined in the Remuneration policy framed for appointment of and payment of remuneration to the Directors of the Company. The remuneration policy is stated in the Corporate Governance Report.

16. STAKEHOLDERS RELATIONSHIP COMMITTEE

Board of Directors of the company has constituted, pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Stakeholder's Relationship Committee.

The details of composition of the Committee and the number of meetings held by the committee are mentioned in the Corporate Governance Report



17. AUDITORS

17.1 Statutory Auditors

The Company's present Statutory Auditors, Messrs V. Sankar Aiyar & Co., Chartered Accountants (Firm registration No :109208W) who retire at the ensuing Annual General Meeting of the Company are not eligible for reappointment u/s 139(2) of the Companies Act, 2013 hence they are not considered for the appointment. The Board appreciates and takes on record their valuable services.

In view of above retirement, M/s Chandrashekar Iyer & Co., Chartered Accountants (Firm registration No: 114260W) are recommended to the members of the Company for their appointment as Statutory Auditors of the Company for the term of Five Financial Year commencing from FY 2017-18. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Auditors of the Company. As required under Regulation 33(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditors have also confirmed that they are subject to peer review by Board of the Institute of Chartered Accountants of India and their certificate is awaited. Necessary resolution for appointment of the said Statutory Auditors is included in the Notice of AGM for seeking approval of members

17.2 Cost Auditors

Cost Audit is not applicable to the Company.

17.3 Secretarial Auditors

- 1) M/s. Makarand M. Joshi & Co., Company Secretaries in Practice, Mumbai has been resigned as Secretarial Auditors.
- 2) Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Vijay S. Tiwari & Associates, Company Secretaries in Practice, Mumbai, has been appointed to undertake the Secretarial Audit of the Company. The Secretarial Audit Report in form MR-3 for the financial year 2016-17 is annexed herewith as 'Annexure III'.

18. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT.

Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not mandatory to the Company however, the Company has voluntarily disclosed the Compliance to the best extent possible in corporate governance report together with Auditor report on the compliance on the same is attached as 'Annexure-IV' and the Management Discussion and Analysis report is attached as 'Annexure V'.

19. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

20. 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 annexed herewith as 'Annexure-VI'.

21. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March 2017 made under the provisions of Section 92(3) of the Act is attached as 'Annexure-VII' which forms part of this Report.

22. PARTICULARS OF EMPLOYEES

There is no Employee drawing Remuneration in excess of the limits prescribed by the Companies Act, 2013. The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the ct read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

Company, will be provided upon request In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

23. HUMAN RESOURCE/INDUSTRIAL RELATIONS

Human Resource programs and initiatives are aligned to meet the business needs. Your company believes in investing in people to develop and expand their capability. The Company has been able to create a favourable work environment that motivates performance, customer focus and innovation in your company's strategies are based, inter alia, on processes of continuous learning and improvement.

24. 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.

25. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

26. DISCLOSURE UNDER SECTION 54(1)(D) OF THE COMPANIES ACT, 2013

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

27. DISCLOSURE UNDER SECTION 62(1)(B) OF THE COMPANIES ACT, 2013

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with the rule 12(9) of the companies (Share Capital and Debenture) Rules, 2014 is furnished.

28. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

29. 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 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note No.1 of the Notes to the Financial Statements 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 31st March, 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.

30. ACKNOWLEDGMENTS

Your Directors would like to express their appreciation for the assistance and co-operation received from the Bankers, Central and State Government Departments, customers, vendors, and other business partners. The Directors also wish to place on record their appreciation to all the employees of the Company for their co-operation and continued contribution to the Company. Last but not least the Directors place on record their gratitude to the Investors, Clients and Shareholders of the Company for their support and trust reposed.

For and On Behalf of the Board of Directors

Asit D Javeri

Chairman And Managing Director

DIN: 0000268114

Place: Mumbai

Date: 26th April, 2017

ANNEXURE-I
AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/ associate companies / joint ventures Part "A": Subsidiaries

(Information in respect of each subsidiary/ Associate Companies/ Joint Venture Companies to be presented with amounts in Rs)

Sr. No.	Particulars	Particulars
1	Name of the subsidiary/Joint Venture/Associate Companies	Anuchem B.V.B.A., Belgium
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	January to December
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	Euro 1 Euro = INR 71.49 Date: 31.12.2016
4	Share capital	Rs. 13,40,437
5	Reserves and Surplus	Rs. 3,04,833
6	Total Assets	Rs. 2,88,41,648
7	Total Liabilities	Rs. 2,88,41,648
8	Investments	=
9	Turnover	Rs. 9,78,59,183
10	Profit before taxation	Rs. 3,72,152
11	Provision for taxation	-
12	Profit after taxation	Rs. 3,72,152
13	Proposed Dividend	Nil
14	% of shareholding	100%

Names of subsidiaries which are yet to commence operations: - Nil

Names of subsidiaries which have been liquidated or sold during the year:- Nil

Part "B": Associates and Joint Ventures

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)



Cont... Part 'B'

Particulars	Name 1
1. Name of Associates/Joint Ventures	NOT APPLICABLE
2. Latest audited Balance Sheet Date	
3. Shares of Associate/Joint Ventures held by the company on the year end (in numbers)	
i. Number	
ii. Amount of Investment in Associates/ Joint Venture	
iii. Extent of Holding %	
4. Description of how there is significant influence	
5. Reason why the associate/joint venture is not consolidated	
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	
7. Profit / Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

Names of associates / joint ventures which are yet to commence operations: - Not Applicable

Names of associates / joint ventures which have been liquidated or sold during the year: - Not Applicable

As per our Report of even date For V. Sankar Aiyar & Co.

Chartered Accountants

Firm Regn No. 109208W

Arvind Mohan

Partner

Membership No. 124082

Place: Mumbai

Dated: 26th April, 2017

ANNEXURE-II

FORM AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso there to

1	Details of contracts or arrangements or transactions not at arm's length basis	None
2	Details of contracts or arrangement or transactions at arm's length basis	As detailed below



a) Transactions at arm's length basis in the ordinary course of business:-

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board if any	Amount paid as advances, if any
Manekchand Panachand Trading Investment Co P Ltd. Holding Company	Receipt and repayment of loan upto Rs. 10 Cr.	—	Rs. 2,72,12,313	27/05/2016	N.A.
Anuchem B.V.B.A. Belgium - Wholly Owned Subsidiary Company	Transactions relating to the Purchase / Sale of goods to the extent of Rs. 50 Crores p.a. basis.	Yearly	Rs. 9,19,27,225	27/05/2016	N.A.

ANNEXURE-III FORM MR-3 SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
SADHANA NITRO CHEM LIMITED
Hira Baug, 1st Floor, Kasturba Chowk (C.P. Tank), Mumbai 400004

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sadhana Nitro Chem Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliance and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Sadhana Nitro Chem Limited (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;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (**Not Applicable to the Company during the audit period**).
- (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 Overseas Direct Investment. **(Foreign Direct Investment and External Commercial Borrowing are not Applicable during the audit period)**
- (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, 1992/ The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the audit period)**
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the audit period)**
 - (e) 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
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the audit period) and
 - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the audit period)**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the audit period)**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with stock exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Further we have identified that there are no Specific Laws applicable to the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 and agenda items 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.

All decisions at Board Meetings and Committee Meetings are carried out either unanimously or majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We 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.

For Vijay S. Tiwari & Associates
Company Secretaries
Vijay Tiwari
Proprietor
ACS No. 33084, CP No. 12220

Place: Mumbai
Date: 20th April, 2017

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

'Annexure A'

To,
The Members,
SADHANA NITRO CHEM LIMITED, Hira Baug, 1st Floor, Kasturba Chowk (C.P. Tank), Mumbai 400004

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we 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. Our 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.

For Vijay S. Tiwari & Associates
Company Secretaries
Vijay Tiwari
Proprietor
ACS No. 33084, CP No. 12220

Place: Mumbai
Date: 20th April, 2017

ANNEXURE – IV

REPORT ON CORPORATE GOVERNANCE

Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not mandatory to the Company, however, the Company has voluntarily disclosed the Compliance to the best extent possible and accordingly the Corporate Governance Report, together with the Auditors Certificate on compliance with the conditions of Corporate Governance laid down are presented in the Report on Corporate Governance for the year ended 31st March, 2017.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

SADHANA NITRO CHEM LIMITED believes that transparent accounting policies, appropriate disclosures norms, best-in-class Board practices and consistently high standards of corporate conduct towards its stakeholders are essential for sustained corporate growth.

Corporate Governance is about commitment to values and ethical business conduct. The Report on the Corporate Governance is to fulfill this commitment. An Organization is able to attract investors and enhance the trust and confidence of all stakeholders by following the best governance practices.

Our Governance philosophy is based on the following :-

- * Management is the trustee of the Shareholders capital and not the owner.
- * Provide an enabling environment to harmonize the goals of maximizing stakeholder value and maintaining a customer centric focus.
- * Have a simple and transparent corporate structure driven solely by business needs.

- * Communicate externally, in a truthful manner, about how the Company is running internally.
- * Make clear distinction between personal convenience and corporate resources.
- * Be transparent and maintain high degree of disclosure levels in all facets of its operations.
- * Satisfy the spirit of the law and not just the letter of the law.

The Company's philosophy on Corporate Governance is thus concerned with the ethics, values and morals of the Company and its directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

2. BOARD OF DIRECTORS :

Composition of the Board and Directorship held in other Companies as on 31st March, 2017

Sr. No	Name of the Director(s)	Promoter/ Independent Executive / Non- Executive	No. of outside Directorship	No. of other outside Committee positions held (*)	
				Chairman	Member
1	Mr. Asit D. Javeri	Promoter - Executive Chairman & Managing Director	10	4	3
2	Mr. Arvind R. Doshi	Independent - Non- Executive	2	-	1
3	Mr. P. S. Jhaveri	Independent - Non- Executive	11	1	3
4	Mr. D. M. Shah	Independent - Non- Executive	2	-	-
5	Mr. A. A. Javeri	Related to Shri A.D. Javeri Non - Executive	7	-	-
6	Mr. P.N. Desai	Independent - Non-Executive	1	-	-
7	Smt. Seema A. Javeri	Related to Shri A.D. Javeri - Executive	4	-	-

(*) In other Limited Companies (including Private Limited Companies) / Foreign companies. Only membership of audit committee and shareholders / Investors Grievance Committee are considered.

Number of shares and convertible instruments held by Non-executive Directors:

Name of the Director	No of shares held	No. of convertible instruments held
Shri Arvind R. Doshi	12498	NIL
Shri Priyam S. Jhaveri	100	NIL
Shri Dharendra M. Shah	5000	NIL
Shri Pradeep N. Desai	100	NIL

Web link where details of familiarisation programmes imparted to independent directors is disclosed:

The Company disclosed familiarisation programmes imparted to independent database of information of interest to the investors including the financial results and Annual Reports of the Company, any information disclosed to the regulatory authorities from time to time, business activities and the services rendered extended by the Company to the investors, in a user friendly manner. The basic information about the Company as called for in terms of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 is provided on this website and the same is updated regularly.

3. DIRECTORS' PROFILE :

Shri Asit D. Javeri (DIN : 00268114) aged 61 years, is a Science graduate from Mumbai University. He is S/o (Late) Shri Dhankumar T. Javeri, founder Chairman of the Company.

He joined company in December 1984 as a Director of the company and in January 1985, he was appointed as the Managing Director. Prior to joining the company he had experience of 9 years of running chemical company. He has been associated with the company for more than 32 years.

At present Shri Asit D. Javeri is Executive Chairman & Managing Director of the Company. He is promoter of the company and holds 388759 Equity Shares of the company as on 31st March, 2017.

Name of the Companies he holds Directorship	Name of the Companies in which he is a Member of the Committee of the Board
1. Premier Limited 2. Indian Extractions Limited 3. Phthalo Colours & Chemicals (I) Ltd. 4. Lifestyle Net Works Ltd. 5. Anuchem b.v.b.a., Belgium 6. Manekchand Panachand Trading Investment Company Pvt. Ltd. 7. Chandra Net Private Limited 8. Strix Wireless Systems Pvt. Ltd. 9. Strix System Inc. USA 10. AHANA Inc. USA	Sadhana Nitro Chem Limited Share Transfer Committee-Member (Executive) Premier Limited Stakeholders Relationship Committee - Chairman (Non Executive) Nomination & Remuneration Committee, Audit Committee- Member (Non Executive) Indian Extractions Limited Audit Committee, Nomination & Remuneration Committee Stakeholders Relationship Committee – Chairman (Non Executive) Phthalo Colours & Chemicals (I) Limited Audit Committee-Member (Non Executive)

Shri Arvind R. Doshi (DIN : 00015293) aged 78 years, is a Civil & Sanitary Engineer from VJTI, Mumbai and Diploma in Business Management.

He joined company on 17th September, 1974 as a Director. He has been associated with the company for more than 40 years. At present Shri Arvind R. Doshi is Director of PAE Ltd.

He has a wide experience in industries like Engineering & Automobiles since 1965. He has received Prestigious Dadabhai Naroji International award for Excellence & Achievement in 1999. Also he has been awarded Samaj Ratna by Mahamastaka Abhishek Committee 2006. Shri Arvind R. Doshi is holding 12498 Equity Shares of the company as on 31st March, 2017.

Name of the Companies he holds Directorship	Name of the Companies in which he is a Member of the Committee of the Board
1. PAE Limited 2. PAE Renewables Pvt. Ltd.	Sadhana Nitro Chem Limited Nomination & Remuneration Committee-Chairman (Non Executive) Audit and Stakeholders Relationship Committee - Member (Non Executive) PAE Limited Stakeholders Relationship Committee-Member



Shri. Priyam S. Jhaveri (DIN : 00045038) aged 63 years. He is a Commerce graduate and having rich experience in Chemical Industry. He is associated with Nanavati Group of Companies and joined Company as a Director from 11th March, 1996. He is holding 100 Equity Shares of the Company as on 31st March, 2017.

Name of the Companies he holds Directorship	Name of the Companies In which he Is a Member of the Committee of the Board
1. Phthalo Colours & Chemicals (I) Ltd. 2. Indian Extractions Limited 3. Excel Industries Limited 4. Nanavati Specialty Chemicals Pvt. Ltd. 5. Nanavati Sons Private Limited 6. Sonera Investments Private Limited 7. Sonega Trades & Investments Pvt Ltd. 8. Medchem Technologies Pvt. Ltd. 9. Nanavati Chemex Private Limited 10. Nanavati Electronics Private Limited	Sadhana Nitro Chem Limited Nomination & Remuneration Committee & Audit Committee – Member (Non Executive) Stakeholders Relationship Committee - Chairman (Non Executive) Indian Extractions Limited Share Transfer Committee-Member (Executive) Phthalo Colours & Chemicals (I) Limited Audit Committee-Chairman (Executive) & Nomination & Remuneration Committee – Member (Executive) Excell Industries Limited Audit, Nomination & Remuneration Committee & Allotment Committee - Member (Non Executive)

Shri Dharendra M. Shah (DIN: 00360008) aged 71 years. He is Commerce and Law graduate having experience of 48 years as Advocate-Tax Consultant. He joined the company as a Director from 29th July, 2002. He is holding 5000 Equity Shares of the company as on 31st March, 2017.

Name of the Companies he holds Directorship	Name of the Companies in which he is a Member of the Committee of the Board
1. Faberge Finance Services Pvt. Ltd. 2. Mangaldas Damodardas Investment Private Limited	Sadhana Nitro Chem Limited Audit Committee-Chairman (Non Executive) Nomination & Remuneration Committee - Member (Non Executive) Stakeholders Relationship Committee - Member (Non Executive)

Shri Pradeep N. Desai (DIN: 01602942) aged 55 years. He is Chemical Engineer. He joined the company as a Director from 12th February, 2013. He is holding 100 Equity Shares of the company as on 31st March, 2017.

Name of the Companies he holds Directorship	Name of the Companies in which he is a Member of the Committee of the Board
1. Delta Hitech Coating Private Limited	--



Shri Abhishek A. Javeri (DIN: 00273030) aged 35 years. He is son of Mr. Asit D. Javeri, Chairman and Managing Director of the Company. He is BA in Economics from North Western University, USA. He joined the company as a Director from 24th January, 2007. He is holding 37100 Equity Shares of the company as on 31st March, 2017.

Name of the Companies he holds Directorship	Name of the Companies which he is a Member of the Committee of the Board
1. Lifestyle Networks Ltd.,	–
2. Chandra Net Private Limited,	–
3. Strix Wireless Systems Pvt. Ltd.	–
4. Strix System Inc., USA.	–
5. Manekchand Panachand Trading Investment Co. Pvt. Ltd.	–
6. AHANA Inc., USA	–
7. Spidigo Net Pvt. Ltd.	–

Smt. Seema A. Javeri (DIN: 01768936) aged 59 years. She is a B.Sc. She has an experience of 12 years in Administration. She joined the company as a Director from 13th February, 2014. She is holding 7327 Equity Shares of the company as on 31st March, 2017.

Name of the Companies she holds Directorship	Name of the Companies in which she is a Member of the Committee of the Board
1. Lifestyle Networks Ltd.	–
2. Manekchand Panachand Trading Investment Co. Pvt. Ltd,	–
3. Strix Wireless Systems Pvt. Ltd,	–
4. Spidigo Net Pvt. Ltd.	–

4. ATTENDANCE RECORD OF THE DIRECTORS:

During the Financial Year 2016-17

- Five Meetings of Board of Directors were held on 27th May, 2016, 11th August, 2016, 26th October, 2016, 7th February, 2017 & 10th March, 2017.
- Last Annual General Meeting (AGM) was held on 12th August, 2016.
- Extra Ordinary General Meeting (EGM) was held NIL.

The Attendance of Directors at the Board Meetings, Last AGM and EGM were as under :-

Name of Director	Board	AGM	EGM
Mr. Asit D. Javeri	5	Yes	Nil
Mr. Arvind R. Doshi	5	No	Nil
Mr. Priyam S. Jhaveri	5	No	Nil
Mr. D.M. Shah	5	No	Nil
Mr. Abhishek A. Javeri	3	Yes	Nil
Mr. Pradeep N. Desai	2	Yes	Nil
Smt. Seema A. Javeri	5	Yes	Nil

5. BOARD PROCEDURE:

Board meets once in quarter wherein they review quarterly performance and financial results. The Board meetings are generally scheduled well in advance and the notice of each meeting is given in writing to each Director. All the items on the agenda are accompanied by note giving comprehensive information on the related subject. The agenda and relevant notes are sent in advance separately to each of directors and only in exceptional cases the same is tabled at the meeting. The Board is also free to recommend the inclusion of any method for discussion in consultation with the Chairman. The information as specified in Part A of Schedule of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is regularly made available to the Board. The minutes of the Board meeting circulated in advance to all directors and confirmed at subsequent meeting. The minutes of audit committee and other committees of the board are circulated in advance to all directors regularly place before the board.

6. AUDIT COMMITTEE:

As required u/s 177 of the Companies Act, 2013 read with provisions Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 the Board has constituted Audit Committee which consists of the following Directors.

Mr. D.M. Shah	Chairman	Non-Executive, Independent
Mr. Arvind R. Doshi	Member	Non-Executive, Independent
Mr. Priyam S. Jhaveri	Member	Non-Executive, Independent

Powers of the Audit Committee:

The Audit Committee shall have the authority to investigate into any matter that may be prescribed under Company Law for the time being in force and within its terms of reference.

Role of the Audit Committee, inter-alia, includes the following :-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing with management the annual financial statements before submission to the Board, for approval with particular reference to:
 - Matters required being included in the Director's Responsibility Statement.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on exercise of judgment by Management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with Listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the management performance of statutory and internal auditors, adequacy of the internal control systems.
- 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.

8. Discussions with internal auditors any significant findings and follow up thereon.
9. 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.
10. Discussions 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.
11. 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.
12. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall 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 weakness; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Mr. V. Mohan and Mr. Arvind Mohan, V. Sankar Aiyer & Co., Partner of the firm of Statutory Auditors and Mr.Chandrashekar Iyer – Chandrashekar Iyer & Co., Proprietor of firm of Internal Auditor, have been permanent invitees to the Audit Committee Meetings besides Chairman & Managing Director, Chief Financial Officer and Company Secretary attended most of the meeting of the Audit Committee as invitee.

During the year, the Audit Committee, in its meetings, discussed among other things, the following :

- Reviewed with management, quarterly, half yearly and annual financial statements before submission to the Board.
- Discussed with the management and the internal and statutory auditors findings in the internal audit reports.
- Deliberated on the applicability, compliance and impact of various Accounting Standards and guidelines issued by the Institute of Chartered Accountants of India from time to time.
- Reviewed the Company's Financial and Risk Management Policies and Audit Reports covering operational, financial and other business risk areas.

The Chairman of the Audit Committee has briefed the Board of Directors, about the Audit Committees observations on various issues discussed at its meetings. Minutes of the Audit Committee Meetings are also circulated to all the Board Members along with agenda of the subsequent meeting.

All the suggestions / recommendations of the Audit Committee during the financial year 2015-16, have been accepted by the Board of Directors.

The Financial decisions of the Company are taken by the Chairman & Managing Director, Mr. A.D. Javeri at the Board of Directors Meeting.

The attendance record of each member of the Audit Committee at the Meeting held on 27th May, 2016, 11th August, 2016, 26th October, 2016, 7th February, 2017 & 10th March, 2017 are as follows:-

Name	Date of Appointment	Non-Executive / Independent	Numbers of Meetings	
			Held	Attended
Mr. D.M. Shah	29th April 2008	Non-Executive – Independent	5	5
Mr. Arvind R. Doshi	29th April 2008	Non-Executive – Independent	5	5
Mr. Priyam S. Jhaveri	29th April 2008	Non-Executive – Independent	5	5

The previous Annual General Meeting was held on 12th August, 2016 and it was not attended by Mr. D.M.Shah, Chairman of the Audit Committee.

7. RISK MANAGEMENT:

The Board takes responsibility for the total process of risk management in the organisation. Results of the risk assessments and residual risks are presented to the Senior Management and the Audit Committee members. The Management is accountable for the integration of risk management practices into the day to day activities. The scope of the Audit Committee includes review of the Company's financial and risk management policies. The Audit Committee reviews the Audit Reports covering operational, financial and other business risk areas.

8. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholder Relationship Committee consists of the following Directors:-

Mr Priyam S. Jhaveri	Chairman	Non-Executive, Independent
Mr Arvind R. Doshi	Member	Non-Executive, Independent
Mr D.M. Shah	Member	Non-Executive, Independent

Terms of Reference

- Review the existing Investors Re-dressal System and suggest measures for improvement.
- Review the report of Registrars and Share Transfer Agents about investor's grievances and follow up for the necessary action taken for re-dressal thereof.
- Suggest improvement in investor's relations.
- Consider and take on record the Certificate from Practicing Company Secretary certifying that the aggregate number of equity shares held in depositories and in physical form tally with the total number of shares issued, listed and admitted share capital.

The attendance record of each member of the Stakeholder Relationship Committee at the Meeting held on 27th May, 2016 is as follows:

Name	Date of Appointment	Non-Executive / Independent	Numbers of Meetings	
			Held	Attended
Mr Priyam S. Jhaveri	29 th April 2008	Non-Executive / Independent	1	1
Mr Arvind R. Doshi	29 th April 2008	Non-Executive / Independent	1	1
Mr D.M. Shah	25 th August, 2014	Non-Executive / Independent	1	1

Statement of the various complaints received and cleared by the Company during the period ended 31st March, 2017 :

Sr. No.	Nature of Request	Received (Nos.)	Cleared (Nos.)	Pending
1	Non Receipt of share certificate(s) - Transfer	0	0	0
2	Non Receipt of Dividend / Interest / Redemption Warrant	0	0	0
3	Non Receipt of Annual Report 2	0	0	0
	Total	0	0	0

There are two pending legal matters, in which the Company has been made a party, before any other Court(s) / Consumer Forum(s) etc., on Investors grievances.

All share transfer and correspondence thereon are handled by the Company's Registrars and Share Transfer Agents viz. Link Intime Private Limited, C101, 247 Park, L. B.S. Marg, Vikhroli, West, Mumbai 400 083

Mr. Nitin R. Jani, Company Secretary, has been appointed as the Compliance Officer, as required by the Listing Agreement entered into by the Company with Bombay Stock Exchange. He has been entrusted the task of overseeing the Share Transfer work done by the Registrars and Share Transfer Agents and attending to grievances of the Shareholders and Investors intimated to the Company directly or through SEBI and Stock Exchanges. All complaints/grievances intimated during the year have been resolved.

9. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee shall have the authority to Investigate into any matter that may be prescribed under Company Law for the time being in force and shall also comply with the terms of reference as specified herein as under:

1. The Nomination & Remuneration Committee shall have meetings periodically as it may deem fit.
2. The Nomination & Remuneration Committee shall invite such of the executives to be present at the meetings of the Committee required by it.
3. The Nomination & Remuneration Committee shall have the following powers and functions:
 - a. To recommend to the Board, the terms and conditions of appointment of key Management personnel.
 - b. To seek information from any employee.
 - c. To obtain outside legal or other professional advice.

PERFORMANCE EVALUATION

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of independent directors and other directors, Board of Directors and Committees of the Board of Directors pursuant to the provisions of the Companies Act, 2013.

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- i. Attendance of Board Meetings and Board Committee Meetings
- ii. Quality of contribution to Board deliberations
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance
- iv. Providing perspectives and feedback going beyond information provided by the management
- v. Commitment to shareholder and other stakeholder interests

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

REMUNERATION POLICY

The Nomination and Remuneration Committee has laid down the criteria for determining qualifications, positive attributes and independence of a person proposed to be appointed as a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

This policy ensures that-

- (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) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel 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.

The remuneration policy of the Company is directed towards rewarding performance based on review of achievements on a periodic basis and is in consonance with the existing industry practice.

The Nomination and Remuneration Policy of the Company has been uploaded and can be accessed on the Company's website (www.sncl.com)



The Nomination & Remuneration Committee consists of the following Directors.

Mr Arvind R. Doshi	Chairman	Non-Executive – Independent
Mr Priyam S. Jhaveri	Member	Non-Executive – Independent
Mr D.M. Shah	Member	Non-Executive – Independent

Attendance record of the Members

The attendance record of each member of the Nomination & Remuneration Committee at the Meeting held on 27th May, 2016 & 10th March, 2017 are as follows :

Name	Date of Appointment	Non-Executive – Independent	Numbers of Meetings	
			Held	Attended
Mr. Arvind R. Doshi	29th April 2008	Non-Executive – Independent	2	2
Mr. Priyam S. Jhaveri	29th April 2008	Non-Executive – Independent	2	2
Mr. D.M. Shah	29th April 2008	Non-Executive – Independent	2	2

The Company pays remuneration by way of salary, allowances and perquisites, performance allowance etc. to the Chairman & Managing Director and Company Secretary on recommendation of the Nomination & Remuneration Committee as approved by the Board of Directors and shareholders of the Company subject to approval of the Central Government if necessary. Each Non-Executive Director is paid per meeting attended a sitting fee of Rs. 5,000/- for Board Meeting and Rs. 3,000/- for Committee Meeting

Details of remuneration of the Directors during FY 2016-17 :

Name of the Director	Salaries, Allowances, Perquisites, performance allowance, contribution to P.F etc.	Sitting fees	Commission Payable	Total
Mr. Asit D. Javeri *	57,78,443	-	-	57,78,443
Smt. Seema A. Javeri	17,41,500	-	-	17,41,500
Mr. Arvind R. Doshi	--	49,000	--	49,000
Mr. Priyam S. Jhaveri	--	49,000	--	49,000
Mr. D.M. Shah	--	49,000	--	49,000
Mr. Abhishek A. Javeri	--	-	--	--
Mr. Pradeep N. Desai	--	10,000	--	10,000
Total	75,19,943	1,57,000	--	76,76,943

* Whole time director is not eligible for sitting fees.

Presently the company does not have a scheme of grant of Stock option. The Company has not advanced any loans to any of the Directors. Also refer "Note 29" annexed to the Financial Statements.

10. General Body Meeting :

(A) Details of location and time of holding of last three AGMs ·

AGM for the FY ended	Venue	Date	Time	No. of Special Resolutions passed
2013-14	SHETH HIRACHAND GUMANJI TRUST HALL Hira Baug, 1 st Floor, Kasturba Chowk (C.P. Tank) Mumbai - 400004	12.09.2014	3.00 p.m.	1*
2014-15	SHETH HIRACHAND GUMANJI TRUST HALL Hira Baug, 1 st Floor, Kasturba Chowk (C.P. Tank) Mumbai - 400004	11.08.2015	3.00 p.m.	4**
2015-16	SHETH HIRACHAND GUMANJI TRUST HALL Hira Baug, 1 st Floor, Kasturba Chowk (C.P. Tank) Mumbai - 400004	12.08.2016	3.00 p.m.	Nil

*Increase in borrowing powers of the Board of Directors

** (1) Replaced existing Article of Association with new set of Article of Association pursuant to Section 14 of the Companies Act, 2013. (2) Re-appointment of Shri A.D. Javeri as Chairman & Managing Director (3) Appointment of Smt. Seema A. Javeri as Executive Director – Administration (4) Modification or Amendment or Clarifications, if any, Clause 49 of Listing Agreement.

(B) Extra Ordinary General Meetings :

NIL

(C) During the year, the members have approved / ratified the following Two Special Resolutions by Postal Ballot effective 14th November, 2014:-

- Creation of charge on / mortgage of the assets of the Company and
- Sale of wholly owned Foreign Subsidiary Company.

11. SUBSIDIARIES:

The Company does not have any material non-listed Indian subsidiary whose turnover or net worth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

12. DISCLOSURES :

(a) Materially Significant related party transactions :

The particulars of transactions between the Company and its related parties as per the Accounting Standard -18 are set out at Note 29 in Notes to Accounts in the Annual Report. These transactions are not likely to have any conflict with Company's interest.

(b) Management Disclosures :

The Senior Management Personnel have been making disclosures to the Board relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large. Based on the disclosures received, none of the Senior Management Personnel has entered into any such transactions during the year.

(c) Strictures and Penalties :

There were no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter relating to the capital markets during the last three years.

(d) Risk Management Framework :

The Board of Directors has adopted the Risk Assessment Procedure. The procedure provides an approach by the top Management to identify potential events that may affect the Company, to manage the risk within its risk appetite and to provide reasonable assurance regarding the achievement of objectives of the Company. The Senior Management priorities the risk and finalise the action plan for mitigation of the key risks.

(e) Whistle Blower Policy :

The company has a vigil mechanism and whistle blower policy under which it takes cognizance of complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the Company has been denied access to the Audit Committee the policy has been put up on the company's website (www.sncl.com)

13. MEANS OF COMMUNICATION :

The quarterly, half yearly and annual results are published in English in Financial Express and in Marathi in Mumbai Lakshadeep and are displayed on Company's website (www.sncl.com).

14. GENERAL SHAREHOLDER INFORMATION :

The current financial year of the Company is 31st March, 2017

AGM : Date, time and venue	44 th Annual General Meeting on Wednesday the 2nd August 2017 at 3.00 P.M. at SHETH HIRACHAND GUMANJI TRUST HALL, HIRA BAUG, 1 st Floor, Kasturba Chowk, (C.P. Tank), Mumbai - 400004.
Date of Book Closure connection with	Tuesday, the 25th July 2017 to Wednesday the 2nd August August, 2017 (both days inclusive) in Connection with Annual General Meeting.
Dividend payment date	NIL for financial year 2016-17.
Financial Calendar (Tentative) Results for quarter ending June 30, 2017 September 30, 2017 December 31, 2017 March 31, 2018 Annual General Meeting Listing of Company's shares	2nd week of August 2017 2nd week of November 2017 2nd week of February 2018 4th week of May 2018 August, 2018 The Company's shares are listed on Bombay Stock Exchange Ltd. (BSE)
Scrip Code	506642
ISIN Number	INE888C01016

15. HIGH / LOW OF MARKET PRICE OF THE COMPANY'S SHARES TRADED ON THE BOMBAY STOCK EXCHANGE (BSE) UPTO 31st MARCH, 2017:

Month	High	Low	Close	No. of Shares	Total Turnover
April 2016	19.15	16.30	17.50	20,798	3,70,918
May	19.50	16.35	17.65	23,462	4,14,113
June	26.75	16.00	22.45	51,511	10,94,706
July	23.60	20.70	20.90	33,592	7,34,450
August	23.55	17.55	20.75	33,182	6,99,453
September	29.80	20.20	22.90	59,835	14,82,740
October	39.85	22.50	33.30	1,40,034	41,51,194
November	34.75	20.00	23.90	64,573	16,14,250
December	34.80	20.70	27.20	57,763	16,73,506
January 2017	39.00	27.30	33.00	77,385	26,04,419
February	44.50	33.05	38.80	3,45,330	1,36,51,807
March	48.40	35.25	42.05	1,67,512	72,93,685

(Source : BSE website)

16. INVESTOR SERVICES (REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENTS):

The Company has appointed M/s. Link Intime India Pvt. Ltd. (LIPL) (Formerly known as M/s. Intime Spectrum Registry Limited, whose address is given below, as its Registrar and Transfer Agents. The Registrar handles all matters relating to the shares of the Company including transfer, transmission of shares, dematerialisation of share certificates, subdivision /consolidation of share certificates and investor grievances.

LIPL having registered office at C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai 83. are Registrars and Share Transfer Agents for Physical Shares. LIPL is also the Depository interface of the Company with both NSDL & CDSL. Their Telephone No. 022-49186000 E-mail address: rlt.helpdesk@linkintime.co.in, Fax No. 022-4918 6060

17. SHARE TRANSFER SYSTEM :

All the transfers received are processed by Registrar and Transfer Agents. Share transfers are registered and returned within maximum of 21 days from the date of lodgment if documents are complete in all respects. In case the shares are transferred through demat mode, the procedure is adopted as stated in Depositories Act, 1996.

18. DEMATERIALISATION OF SHARES :

The Company's shares are tradable compulsorily in electronic form. The Company has established through its Registrar and Share Transfer Agents, connectivity with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March, 2017, 96.91% of the equity shares have been dematerialised.

19. SHARE HOLDING PATTERNAS ON 31st March, 2017 :

	No. of Shares	Percentage
Promoters	6533938	71.01
Other Directors and their Relatives	55468	0.60
Mutual Funds and UTI	560	0.01
Banks, Financial Institutions & Insurance Companies	621	0.01
Bodies Corporate	166408	1.80
Indian Public	2406495	26.16
NRIs/Foreign Nationals	37340	0.41
Total	9200830	100.00



Pursuant to Regulation 3(1)(e)(i) of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 and subsequent amendments thereto, Promoter Group and Persons acting in concert consists of Manekchand Panachand Trading Investment Co. Private Limited and Mr. Asit D. Javeri & his family.

20. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2017 :

No .of Shares	Folio		Amount	
	Number	% to total	Rs .	% to total
1 - 5000	3774	84.1472	4589060	4.9877
5001 - 10000	350	7.8038	2696560	2.9308
10001 – 20000	180	4.0134	2608070	2.8346
20001 – 30000	58	1.2932	1448130	1.5739
30001 – 40000	17	0.3790	603990	0.6565
40001 – 50000	26	0.5797	1216470	1.3221
50001 – 100000	36	0.8027	2688080	2.9216
100001 and above	44	0.9810	76157940	82.7729
Total	4485	100.0000	92008300	100.0000

21. UNCLAIMED DIVIDEND :

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of 7 years to the Investor Education and Protection Fund (IEPF) established by the Government. The Company has already transferred the unclaimed dividend for the year ended 31st March, 2008 to the IEPF. No unpaid / unclaimed dividend remains to be transferred to IEPF since the Company has not paid any dividend after the FY 2007-08.

22. PLANT LOCATION

Sadhana Nitro Chem Limited, 47, MIDC Industrial Area, Roha, Dist. Raigad, Maharashtra - 402 116.
Tel: Dhatav-02194-263801-2-3, Fax :(91)02194-263522

23. ADDRESS FOR CORRESPONDENCE

Sadhana Nitro Chem Limited	Link Intime India Pvt. Ltd (RTA)
Regd . Office : Hira Baug , 1st Floor, Kasturba Chowk (C .P Tank), Mumbai - 400 004. Tel : 022- 23865629	(Formerly known as Intime Spectrum Registry Ltd), C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400 083
Fax : (91)22 -23887235	Telephone No . 022-49186000
E-mail :sadhananitro@sncl.com	Fax No. 022-49186060
Website : www.sncl.com	E-mail : rmt.helpdesk@linkintime.co.in

24. CEO / CFO CERTIFICATION :

The Company is duly placing a certificate to the Board from the Chairman & Managing Director and CFO in accordance with the provisions of Clause 49 (ix) of the Listing Agreement. The aforesaid certificate duly signed by the Chairman & Managing Director and Director & CFO in respect of the financial period ended 31st March, 2017 has been placed before the Board in the meeting held on 26th April, 2017.



25. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL:

As stipulated by SEBI a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out periodically and thereon is submitted to the Listed Stock Exchanges. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

26. CODE OF CONDUCT AND CERTIFICATE ON COMPLIANCE THEREOF:

The Board of Directors of the Company has adopted the Code of Conduct for Directors and Senior Management of the Company.

I hereby confirm that the Company has obtained from all the Members of the Board and the Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the Financial Year 2016-17.

A. D. Javeri
Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members,
Sadhana Nitro Chem Limited

We have examined the compliance of conditions of Corporate Governance by Sadhana Nitro Chem Limited, for the year ended on 31st March 2017, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement. We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date : 26th April, 2017

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Regn. No. 109208W
Arvind Mohan
Partner
Membership No. 124082

ANNEXURE-V

Management Discussion and Analysis Report

Industry Structure and Development

Your company is engaged in manufacture of chemical intermediates, heavy organic chemicals and performance chemicals. India emerged as one of the major source for chemical intermediates.

Opportunities & Threats

Moreover, over the last year the Chinese Government has starting paying strict attention to pollution control. On several occasions, companies in the same vertical, those are involved in the same product production as your company have faced several temporary suspensions. This has not only increased costs in China, but has also further increased credibility of your company in the international markets.

Your company is in the industry since last over 44 years. It has a very high degree of operating synergy, economies of scale and high quality standards. The products of your company have diverse uses and applications in several industries ranging from paper, pharmaceutical, agro chemicals, thermal dyes, light tabilizer, aerospace, dyes and hair dyes etc. Your company has good clientele base, which is well diversified over the World.

Besides, the domestic market has shown growth.

Segment Wise Operational Performance

The Companies growth considering the past few years' performance has declined. The Company is striving hard for increasing profits from year to year. The total revenue from the operations for the year ended March 31, 2017 declined to Rs. 5776 Lakhs as against Rs. 3524 Lakhs in a previous financial year 2016.

Market and Outlook

Your company has healthy order book position. Despite continued slowdown in the Global economies, the demand of your company's end products have increased globally and are expected to do so significantly over the coming years.

A better product mix, operational efficiency and stringent control on the cost have contributed towards increasing productivity, production and operating margins. These factors witnessed over the fourth quarter are expected to continue going forward.

The Company continued to focus on cost control at every level to improve the operational efficiency which alongwith the increased operating level and upward revision of product prices is expected to improve the margin. Continuous efforts are being made for efficient energy and raw material consumption. The rate of flow of orders is encouraging. Production facilities are realigned to meet the demand. Your company, barring unforeseen circumstances, expects to further improve the turnover and performance. Increasing working capital is vital towards substantial growth in the coming years.

Risks and Concerns

Since raw materials form an important component of your company's value chain, cost and availability of some of the key raw materials like benzene, nitric acid, caustic potash, sulphur based chemicals, iron powder are an area of concern.

Your Company has however improved processes for better consumption norms and by substituting cheaper raw materials. Your company has technological superiority and strong distribution network.

Internal Control Systems and Their Adequacy

The Company has an adequate Internal Control System commensurate with the size and nature of its business. The preparation designing and documentation of Policy on Internal Financial Control has been finalised and implemented which will be reviewed periodically and modified suitably to ensure controls. The internal audit functions are carried out by a separate firm of Chartered Accountants. The quarterly audit reports, including significant audit observations and corrective actions thereon, are presented to the Chairman of the Audit Committee.

Discussion on Financial Performance with Respect to Operational Performance

The Company's revenue from operations has increased as compared to the previous financial year ended 31st March, 2016 for which it was Rs. 3524 lakhs to Rs. 5776 Lakhs.

Human Resources

Human Resource programs and initiatives in SNCL are aligned to meet the business needs. Your company believes in investing in people to develop and expand their capability. The Company has been able to create a favourable work environment that motivates performance, customer focus and innovation SNCL's strategies are based, inter alia, on processes of continuous learning and improvement.

Cautionary Statement

Statements in the Management Discussion & Analysis Report describing the Company's expectations, opinion, and predictions may please be considered as "forward looking statements" only. Actual results could differ from those expressed or implied. Company's operations should be viewed in light of changes in market conditions, prices of raw materials, economic developments in the country and such other factors.

ANNEXURE-VI

INFORMATION REQUIRED UNDER SECTION 134(3)(M) OF COMPANIES ACT, 2013 AND RULE 8(3) OF COMPANIES ACCOUNTS RULES, 2014.

A. CONSERVATION OF ENERGY

Steps taken for further conservation of Energy:

The Company has taken several measures to conserve and optimise the use of energy such as (a) Recycling of Water (b) Use of Briquettes in place of Furnace Oil (c) Water harvesting.

Impact of the above measures:

The measures stated above would further improve conservation of energy, reduction in water and air pollution, reduction in cost of production etc.

During the year under review there is no Capital Expenditure incurred in respect of conservation of energy.



FORM-A: FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION

		31-03-2017	31-03-2016
1. Electricity			
a)	Purchased Unit in kwh Total amount (Rs.) Rate/Unit (Rs.)	2582444 2,24,22,580 8.68	1790469 1,63,53,284 9.13
b)	Own Generation Through Diesel Generator Units in (kwh) Unit per liter of diesel oil (kwh) Liter of Diesel Total amount (Rs.) Cost/Units (Rs.)	57609712 3.02 1910 5,44,532 94.54	9712 10.70 907.50 2,66,759 27.47
2. Furnace Oil			
	Quantity (KL) Total Cost(Rs.) Average Rate (Rs. /MT)	1814776 4,34,46,397 23,940.36	90039 1,87,40,986 20814.30
3. Briquettes			
	Quantity (MT) Total Cost (Rs.) Average Rate (Rs./MT)	— — —	1194.705 75,95,211 6357.40
4. Water			
a)	Quantity (M3) Total Cost (Rs.) Average Rate (Rs./M3)	83828 24,61,725 29.366	44968 17,30,244 38.477

B. TECHNOLOGY ABSORPTION

FORM-B : FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY RESEARCH AND DEVELOPMENT

- Specific areas in which R&D carried out by the Company. The R&D efforts of the Company are directed towards process development, energy conservation, Pollution control, efficiency improvement and quality up-gradation.
- Benefits derived as a result of the above R&D.
R&D efforts have resulted in development of process for several chemical intermediates, the commercial production of which are commenced, besides improving quality and operating efficiency of existing products.
- Future Plan of Action
To continue R&D in the relevant areas to achieve its benefits.
- Expenditure on R&D

		31-03-2017	31-03-2016
(a)	Capital	—	—
(b)	Recurring	3573174	3125977
(c)	Total	3573174	3125977
	Total R&D expenditure as a% of total turnover	0.62%	0.90%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation. The Company has commenced production of some items of chemical intermediates, the process for which has been developed in R&D.
2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution, etc. There is improvement in quality and yield of the product and has widened product range for marketing.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year). No imported technology during last 5 years.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Activities relating to exports, initiative taken to increase exports, development of new export markets for products and services and export plans.

The Company is exporting about 72 % of its overall revenue including other income. The total exports during the year were Rs.4152 Lakhs (PY Rs. 2,342 Lakhs). The Company is putting all its efforts to tap new export markets and widen its clientele base.

- b) Total Foreign Exchange used and earned. (in Rs.)

		31-03-2017	31-03-2016
(I)	Used:		
	a) Imports (CIF)	1,72,47,249	57,29,725
	b) Other expenditure	4,88,361	1,92,125
(ii)	Earned:		
	Exports (F.O.B.)	42,35,41,344	22,47,95,047

ANNEXURE - VII

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	L24110MH1973PLC016698
Registration Date	21/07/1973
Name of the Company	SADHANA NITRO CHEM LIMITED
Category/Sub-Category of the Company	Company having Share Capital
Address of the Registered office and contact details	Hira Baug, 1st floor, Kasturba Chowk, (C. P. Tank), Mumbai 400 00 4
Whether listed company	Yes
Name Address and Contact details of Registrar and Transfer Agent, If any	LINK INTIME INDIA PRIVATE LIMITED C101 , 247 Park, L B S Marg, Vikhroli, West, Mumbai 400 083 Phone: 022-49186000 Fax: 022-49186060 Email: rnt.helpdesk@linktime.co.in



II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Manufacture of Chemical Intermediates, Heavy Organic Chemicals Performance Chemicals.

All the business activities contributing 10% or more of the total turnover of the company

Sr. No.	Name and Description of main products	NIC Code of the Product / Service	% of total turnover of the company
1.	META AMINO PHENOL	3009	71.25%
2.	NITROBENZENE	3009	71.25%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/ subsidiary /associate	% of Shares held	Applicable Section
1.	Manekchand Panachand Trading Investment Co P Ltd	U67120MH1985PTC037397	Holding Company	65%	2(46)
2.	Anuchem B.V.B.A., Belgium	Not Applicable	Foreign Subsidiary	100%	2(67)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

1) Category-wise Share Holding

Category Code	Category of Shareholders	Shareholdings as on 1st April 2016				Shareholdings as on 31st March, 2017				%Change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A	Promoters									
(1)	Indian									
(a)	Individuals/ Hindu Undivided Family	564571	—	564571	6.14	573327	—	573327	6.23	0.01
(b)	Central Government/ State Government(s)	—	—	—	—	—	—	—	—	—
(c)	Bodies Corporate	5960611	—	5960611	64.78	5960611	—	5960611	64.78	—
(d)	Financial institutions / Banks	—	—	—	—	—	—	—	—	—
(e)	Any Other (Specify)	—	—	—	—	—	—	—	—	—
	Sub-Total (A)(1)	6525182	—	6525182	70.92	6533938	—	6533938	71.01	—
(2)	Foreign									
(a)	Individuals (Non Resident individuals / Resident	—	—	—	—	—	—	—	—	—
(b)	Bodies Corporate	—	—	—	—	—	—	—	—	—
(c)	Institutions	—	—	—	—	—	—	—	—	—
(d)	Qualified Foreign Investor	—	—	—	—	—	—	—	—	—
(e)	Any Other (specify)	—	—	—	—	—	—	—	—	—
	Sub-Total (A)(1)									
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	6525182	—	6525182	70.92	6533938	—	6533938	71.01	—

Cont... No. 1 Category-wise Share Holding

B	PUBLIC SHAREHOLDING									
1)	Institutions									
(a)	Mutual Funds/ UTI	360	200	560	0.01	360	200	560	0.01	
(b)	Financial Institutions / Bank	462	159	621	0.01	462	159	621	0.01	
(c)	Central Government / State Government	—	—	—	—	—	—	—	—	
(d)	Venture capital Funds	—	—	—	—	—	—	—	—	—
(e)	Insurance Companies	—	—	—	—	—	—	—	—	—
(f)	Foreign Institutional Investors	—	—	—	—	—	—	—	—	—
(g)	Foreign Venture capital Investors	—	—	—	—	—	—	—	—	—
(h)	Qualified Foreign Investor	—	—	—	—	—	—	—	—	—
(i)	Any Other (specify)	—	—	—	—	—	—	—	—	—
	Sub-Total (B)(1)	822	359	1181	0.02	822	359	1181	0.02	
(2)	Non Institutions									
(a)	Bodies Corporate	174185	1169	175354	1.91	165239	1169	166408	1.81	0.1
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs. 1 Lakh	1392503	262160	1654663	17.98	1434165	213593	1647758	17.91	-0.07
	(ii) Individuals holding nominal share capital in excess of Rs. 1 Lakh	689939	—	689939	7.50	627531	42750	670281	7.29	-0.21
(c)	Qualified Foreign Investor	—	—	—	—	—	—	—	—	—
(d)	Any Other (specify)									
(i)	Other Directors & relatives	34659	20809	55468	0.60	34659	20809	55468	0.60	—
(ii)	Non Resident Indians (Repat)	28348	5494	33842	0.37	28239	5494	33733	0.37	—
(iii)	Non Resident Indians (Non-Repat)	1845	—	15861	0.17	3607	—	3607	0.04	0.02
(iv)	Clearing Members	15861	—	15861	0.17	38249	—	38249	0.42	0.25
(v)	Trust	—	—	—	—	—	—	—	—	—
(vi)	Hindu Undivided Family	47495	—	47495	0.52	50207	—	50207	0.55	0.03
(vii)	Market Maker	—	—	—	—	—	—	—	—	—
	Sub-Total (B)(2)	2384835	289632	2674467	29.07	2381896	283815	2665711	28.97	0.01
	Total Public Shareholding (B) = (B)(1)+(B)(2)	2385657	289991	2675648	29.07	2382718	284174	2666892	28.99	0.01
	TOTAL (A)+(B)	8910839	289991	9200830	100	8916656	284174	9200830	100.00	—
(C)	Shares held by Custodians and against which Depository Receipts have been issued	—	—	—	—	—	—	—	—	—
	GRAND TOTAL (A)+(B)+(C)	8910839	289991	9200830	100	8916656	284174	9200830	100.00	—

II) Shareholding pattern of the Promoters

Sr. No.	Shareholders' 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 Shares Pledged/ encumbered to total shares	No. of Shares	%of Total shares	%of Shares Pledged/ encumbered to total shares	
1.	Manekchand Panachand Trading Investment Co. P. Ltd.	5960611	64.78	59.78	5960611	64.78	59.78	0.00
2.	Asit D. Javeri	380003	4.13	0.00	388759	4.23	0.00	0.01
3.	Molina D. Javeri	79661	0.86	0.00	79661	0.86	0.00	0.00
4.	Abhishek A. Javeri	37100	0.40	0.00	37100	0.40	0.00	0.00
5.	Sadhana Rajiv Jain	29190	0.32	0.00	29190	0.32	0.00	0.00
6.	Chandrika D. Javeri	29190	0.32	0.00	29190	0.32	0.00	0.00
7.	Seema A. Javeri	7327	0.08	0.00	7327	0.08	0.00	0.00
8.	Anuradha A. Javeri	2100	0.02	0.00	2100	0.02	0.00	0.00
	Total	6525182	70.92	59.78	6533938	71.01	59.78	0.00

III) Change in Promoter's Shareholding

	Shareholding as on 31st March, 2017		Cumulative Shareholding during the year		
	No of Shares	% of total shares of the company	No of Shares	% of total shares of the company	
At the beginning of the year	6533938	71.01	Date	No.	
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment I transfer I bonus/ sweat equity etc): Purchase of shares from the open market			27.06.2016 28.06.2016 01.07.2016 04.07.2016	550 1000 3000 4206	
At the End of the year	6533938			8756	0.0951



iv) Shareholding pattern of the top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl No	For each of the Top 10 Shareholders	Shareholding as on 31st March, 2016		Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus /sweat equity etc.			Cumulative Shareholding during the year and Balance as at 31st March, 2017	
	Name	No. of shares	% of total shares of the company	Increase (No of shares)	Decrease (No of shares)	Reason	No of shares	% of total shares of the company
1	Veena K Jagwani	173773	1.8886	—	—	—	173773	1.8886
2	Vinod Kumar Ohari	106296	1.1553	—	—	—	106296	1.1553
3	Sangeetha S	98491	1.0705	—	—	—	98491	1.0705
4	Rhea Shah	72973	0.7931	—	9973	Sale	63000	0.6847
5	Updesh K Kausal	42750	0.4646	—	—	—	42750	0.4646
6	Amit M Mehta	28866	0.3137	6290	—	Purchase	35156	0.3821
7	Harsh Amit Mehta	33000	0.3587	—	—	—	33000	0.3587
8	Mohak Amit Mehta	26000	0.2826	—	—	—	26000	0.2826
9	Saraiya Bhavin Ramakant	38416	0.4175	—	13416	Sale	25000	0.2717
10	Heena Mukesh Hirani	16863	0.1832	4628	—	Purchase	21491	0.236

v) Shareholding of Directors and Key Managerial Personnel

Sl No	Name	Shareholding as on 31 st March, 2016		Increase / Decrease in Share holding during the year specifying the reasons for Increase/decrease (e.g. allotment / transfer / bonus / sweat equity etc.)			Cumulative Shareholding during the year and Balance as at 31 st March, 2017	
		No. of shares	% of total shares of the company	Increase (No of shares)	Decrease (No of shares)	Reason	No of shares	% of total shares of the company
A	DIRECTORS							
1	Asit D. Javeri, Chairman & Managing Director	380003	4.1295	8756	-	Purchase	388759	4.2253
2	Arvind R. Doshi, Non-Executive Director	12498	0.1358	-	-	-	12498	0.1358
3	Priyam S. Jhaveri, Non-Executive Director	100	0.0011	-	-	-	100	0.0011
4	Dhirendra M. Shah, Non-Executive Director	5000	0.0543	-	-	-	5000	0.0543
5	Pradeep N. Desai, Non-Executive	100	0.0011	-	-	-	100	0.0011
6	Seema A. Javeri, Executive Director – Administration	7327	0.0796	-	-	-	7327	0.0796
7	Abhishek A. Javeri, Director & CFO	37100	0.4032	-	-	-	37100	0.4032
B	KMP							
1	Nitin R. Jani, Company Secretary	25124	0.2731	-	-	-	25124	0.2731

VI. INDEBTEDNESS

	Secured Loan excluding deposits	Unsecured Loans	Inter Corporate Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	19,56,84,097	12,48,148	14,19,22,476	33,88,54,721
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i + ii + iii)	19,56,84,097	12,48,148	14,19,22,476	33,88,54,721
Changes in Indebtedness during the financial Year				
Addition (Reduction)	(3,87,89,948)	(5,94,208)	(67,89,692)	(4,61,73,848)
Net Change	(3,87,89,948)	(5,94,208)	(67,89,692)	(4,61,73,848)
Indebtedness at the end of the financial year				
i) Principal amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	19,56,84,097	12,48,148	14,19,22,476	33,88,54,721
Total (i + ii + iii)	15,68,94,149	6,53,940	13,51,32,784	29,26,80,873

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR / WHOLE TIME DIRECTOR/ MANAGER:

Sr. No	Particulars of Remuneration	Total	Amount
		Shri. Asit D. Javeri CMD	Smt. Seema A. Javeri ED-Admin.
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	57,78,443	17,41,500
2	Stock Option		
3	Sweat Equity	--	--
4	Commission - as % of profit - others, specify - (Guarantee Commission)	-- --	-- --
5	Others	--	--
	Total (A)	57,78,443	17,41,500



B. REMUNERATION TO OTHER DIRECTORS:

Sr. No	Particulars of Remuneration	Name of Directors				Total Amount
		Arvind Doshi	Priyam Jhaveri	D.M. Shah	Pradeep Desai	Rs.
1.	<u>Independent Directors</u> Fee for attending board / committee meetings / Commission / Others, please specify	49,000	49,000	49,000	10,000	1,57,000
	Total	49,000	49,000	49,000	10,000	1,57,000
Ceiling as per the Act Rs. 1 Lakh per meeting attended per Director						

C. REMUNERATION TO KMP

Rs In Lakhs

Sr.No	Particulars of Remuneration	Key Managerial Personnel				
		CMD	CS	CFO	ED-Admin.	Total
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	57.58	52.76	—	17.42	127.96
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--	--
2	Stock Option	--	--	--	--	--
3	Sweat Equity	--	--	--	--	--
4	Commission -as % of profit -others, specify...	- --	- --	- --	- --	- --
5	Others, please specify	--	--	--	--	--
	TOTAL	57.58	52.76	—	17.42	127.96

VIII. 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)
Company & Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
Other Officers In Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and On Behalf of the Board of Directors

Asit D Javeri

Chairman And Managing Director

DIN: 0000268114

Place: Mumbai
Date: 26th April, 2017

CEO/CFO CERTIFICATE UNDER CLAUSE 49 IX OF THE LISTING AGREEMENT

The Board of Directors,

Sadhana Nitro Chem Limited

- A. I have reviewed the financial statements and the cash flow statement of Sadhana Nitro Chem Limited for the year ended 31st March, 2017 and to the best of our knowledge and belief :
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) 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 my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. 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 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 rectifying these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee :
- i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Mumbai
Date : 26th April, 2017

Abhishek A. Javeri
Director & Chief Financial Officer

Asit D. Javeri
Chairman & Managing Director

FIVE YEAR HIGHLIGHTS


(₹. In Lacs)

	2016-17	2015-16	2014-15	2013-14	2012-13
RESOURCES					
Capital	1880.08	1880.08	1880.08	1095.08	1095.08
Reserve	(930.76)	(1156.73)	(672.31)	(1069.30)	(990.47)
Net Worth	949.32	723.35	1207.77	25.78	104.61
State Govt.Sales Tax Incentives	6.54	12.48	14.90	14.90	14.90
Other Borrowings	2797.12	3365.94	2708.54	2767.71	4768.23
TOTAL	3752.98	4101.77	3931.21	2808.39	4887.74
UTILISATION OF RESOURCES					
Fixed Assets	10987.57	10921.87	10908.81	10115.31	10262.29
Less:Depreciation	7303.23	7111.02	6910.63	6691.48	6623.58
Net Fixed Assets	3684.34	3810.85	3998.18	3423.83	3638.71
Investments	7.71	7.71	8.80	15.72	15.72
Net Current Assets	60.93	283.21	(75.77)	(631.16)	1233.31
TOTAL	3752.98	4101.77	3931.21	2808.39	4887.74
Revenue from operations:-					
Sales of Products	5573.12	3450.05	4779.86	3202.23	6679.67
other operative revenue	155.04	57.60	25.17	64.05	161.25
Other income	48.10	16.21	35.76	99.72	85.08
TOTAL REVENUE	5776.26	3523.86	4840.79	3366.00	6926.00
EXPENDITURE:-					
Cost of Materials consumed / Purchase of Stock in Trade	3352.02	1902.10	3232.90	2126.08	4262.67
Changes in inventories of finished goods,work in progress and stock in trade	(452.30)	(48.94)	151.70	34.64	(247.44)
Employee Benefit cost	788.10	568.13	544.17	381.31	635.91
Financial cost	482.48	507.17	462.66	617.27	1017.52
Depreciation	192.21	200.38	206.83	207.19	367.40
Other expenses	1187.78	879.44	1231.06	916.65	1655.34
TOTAL EXPENDITURE	5550.29	4008.28	5829.32	4283.14	7691.40
Profit /loss before Tax & Exceptional Items	225.97	(484.42)	(988.53)	(917.14)	(765.40)
Add : Profit on Sale of Assets / Investment / Exceptional Items	0.00	0.00	1305.16	1067.32	810.57
Less : Tax Expenses	0.00	0.00	(102.29)	206.35	224.23
Profit /(Loss) After Tax	225.97	(484.42)	418.92	(56.17)	(179.06)

Independent Auditor's Report**To the Members of Sadhana Nitro Chem Limited****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Sadhana Nitro Chem Limited ("the Company"), which comprises the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year 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 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, preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 judgement, 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. 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 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in Annexure 1, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in Annexure 1, as required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as 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 the 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 2', and

- (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 litigation 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 for eseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management—(Refer Note No. 16.1 of Financial Statements)

For V. Sankar Aiyar & Co
Chartered Accountants
Firm Reg No: 109208W

Arvind Mohan
Partner
Membership No. 124082

Place: Mumbai
Date: April 26th, 2017

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SADHANA NITRO CHEM LIMITED ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2017

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and in our opinion, we report that:

- I
 - a. The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a policy of physically verifying its fixed assets in a phased manner to cover all the assets of the Company in a block of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its business.
 - c. The title deeds of the immovable properties are held in the name of the company.
- II
 - a. The inventory has been physically verified by the Management at reasonable intervals during the year
 - b. The procedures of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and nature of its business. No material discrepancies were noticed on such physical verification.
 - c. The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

- III The Company has not granted any loans secured or unsecured during the period to the parties covered in the Register maintained under section 189 of the Companies Act, 2013.
- IV The Company has not granted any loans, investments, or any guarantees or securities accordingly provision of Section 185 and 186 does not apply.
- V The Company has not accepted any deposits from public. Accordingly, this clause is not applicable.
- VI The Central Government has not prescribed maintenance of cost records under section 148(1) of the Act.
- VII a) The company has been irregular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities during the year. No undisputed amount in respect of the aforesaid statutory dues were in arrears, as at 31st March 2017, for a period of more than six months from the date they become payable except in the following cases :-

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to Which it relates
Income Tax Act. 1961	Tax Deducted at Source	67,17,849	April 2015 to September 2016
Provident Fund Act, 1952	P. F. Contribution	57,84,537	June 2015 to September 2016
Service Tax	Reverse Mechanism	20,57,631	April 2014 to September 2016
Total		1,45,60,017	

- b) There are no dues of Income Tax, Sales tax, Service Tax, Customs duty, Wealth Tax, Excise Duty, Excise Duty and Cess which have not been deposited on account of a dispute.
- VIII The Company has not defaulted in repayment of dues to any financial institutions or banks.
- IX The Company did not raise any money by way of initial public offer (including debts instruments) or further public offer and terms loans during the year. Accordingly, this clause is not applicable.
- X No material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- XI The company has paid / provided for managerial remuneration in accordance with the requisite approvals as mandated by the provisions of section 197 read with Schedule V of the Act.
- XII The Company is not a Nidhi Company. Accordingly, this clause is not applicable.
- XIII All Transaction with related parties are in compliance with Section 177 and section 188 of the Companies Act, 2013 where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting standards.
- XIV The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, this clause is not applicable.
- XV The Company has not entered into any non cash transactions with directors or persons connected with them.
- XVI The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SADHANA NITRO CHEM LIMITED ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2017

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 Sadhana Nitro Chem Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that 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 financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

Place: Mumbai
Date: April 26th, 2017

For V. Sankar Aiyar & Co
Chartered Accountants
Firm Reg No: 109208W
Arvind Mohan
Partner
Membership No. 124082

BALANCE SHEET AS ON 31ST MARCH 2017


	Note	AS ON 31-03-2017 ₹	AS ON 31-03-2016 ₹
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	18,80,08,300	18,80,08,300
Reserves and Surplus	3	(9,30,76,209)	(11,56,73,272)
Non-Current Liabilities			
Long-term borrowings	4	10,68,52,297	2,35,879
Deferred Tax Liabilities (Net)	5	-	-
Long term provisions	6	2,01,13,965	1,71,21,197
Current Liabilities			
Short-term borrowings	7	17,35,14,149	32,33,85,876
Trade payables			
a) Micro Medium & small Enterprises		-	-
b) Others Payable	8	25,50,48,060	20,33,82,389
Other current liabilities	9	8,53,89,454	5,89,75,912
Short-term provisions	10	81,27,412	6,33,96,716
TOTAL		74,39,77,427	68,17,75,953
Assets			
Non-current assets			
Property, Plant & Equipment-Tangible	11	28,14,40,853	29,40,91,790
Capital work-in-progress		8,69,93,828	8,69,93,828
Non-current investments	12	7,71,550	7,71,550
Long term loans and advances	13	17,730,252	1,28,68,931
Current assets			
Inventories	14	13,81,99,098	8,98,01,794
Trade receivables	15	13,04,06,221	12,97,83,912
Cash and Bank balances	16	80,28,035	88,41,130
Short-term loans and advances	17	7,94,53,095	5,79,86,132
Other current assets	18	9,54,495	6,36,886
TOTAL		74,39,77,427	68,17,75,953
Significant Accounting Policies	1		
Other notes forming part of financial statement 27 to 31			

As per our Report of even date

For **V. Sankar Aiyar & CO,**
Chartered Accountants
Firm Regn. No. 109208W

Arvind Mohan
Partner Membership No. 124082

For and on Behalf of the Board of Directors

Asit D. Javeri
Chairman &
Managing Director

Abhishek A. Javeri
Director & CFO

Smt. Seema A Javeri
Director - Administration

Nitin R. Jani
Company Secretary

Arvind R. Doshi
Director

Priyam S. Jhaveri
Director

Dhirendra M. Shah
Director

Pradeep N. Desai
Director

Place : Mumbai
Dated : 26th April, 2017

Place : Mumbai
Dated : 26th April, 2017

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2017


	Note	AS ON 31-03-2017 ₹	AS ON 31-03-2016 ₹
INCOME			
Revenue from operations	19	57,28,15,349	35,07,64,273
Other Income	20	48,10,467	16,21,748
Total Revenue		57,76,25,816	35,23,86,020
EXPENSES			
Cost of materials consumed	21	33,52,02,024	19,02,09,817
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	(4,52,30,505)	(48,93,770)
Employee benefit expense	23	7,88,09,951	5,68,12,856
Financial costs	24	4,82,48,421	5,07,17,100
Depreciation and amortization expense		1,92,20,851	2,00,38,460
Other expenses	25	11,87,78,011	8,79,43,797
Total Expenses		55,50,28,753	40,08,28,260
Profit Before Tax /(Loss) Before Tax		2,25,97,063	(4,84,42,240)
Current Tax		-	-
Deferred Tax		-	-
Profit/(Loss) for the period		2,25,97,063	(4,84,42,240)
Basic /Diluted Earning per equity share of face value of ₹ 10 each (fully paid)	26	2.46	(5.26)

Significant Accounting policies

Other Note Forming part of financial statement 27 To 31

As per our Report of even date

For **V. Sankar Aiyar & CO,**
Chartered Accountants
Firm Regn. No. 109208W

Arvind Mohan
Partner Membership No. 124082

Place : Mumbai
Dated : 26th April, 2017

For and on Behalf of the Board of Directors

Asit D. Javeri
Chairman &
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Priyam S. Jhaveri
Director

Dhirendra M. Shah
Director

Pradeep N. Desai
Director

Place : Mumbai
Dated : 26th April, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH ,2017



	AS ON 31-03-2017 ₹	AS ON 31-03-2016 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/ Loss (-) BEFORE TAX	2,25,97,063	(4,84,42,240)
Add : a. Depreciation	1,92,20,851	2,00,38,460
b. Interest	4,82,48,421	5,07,17,100
c. Loss on Sale of Investments	-	-
d. Diminution in the value of investment	-	1,08,420
Less: a. Profit on Sale of Investments	-	-
CASH OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	9,00,66,335	2,24,21,740
CHANGES IN WORKING CAPITAL		
a. Trade & other Receivables	(6,22,309)	(5,37,54,656)
b. Inventories	(4,83,97,304)	28,71,888
c. Loans & Advances	(2,66,45,893)	1,21,42,296
d. Trade Payables	5,16,65,670	(16,85,653)
e. current liability	1,45,14,091	52,46,531
f. Provision	47,80,509	24,96,018
	(47,05,237)	(3,26,83,576)
CASH GENERATED FROM OPERATION	8,53,61,098	(1,02,61,836)
a. Direct Taxes (Paid)	-	(21,702)
NET CASH FLOW FROM OPERATING ACTIVITIES-(A)	8,53,61,098	(1,02,40,134)
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES :-		
a. Purchase of Fixed Assets	(65,69,913)	(13,06,576)
(Net of Adjustment for Capital work-in-progress)	-	-
b. Acquisition / Sale of Investments (Net)	-	-
CASH FLOW FROM /(USED IN) INVESTING ACTIVITIES- (B)	(65,69,913)	(13,06,576)
CASH FLOW FROM FINANCING ACTIVITIES :-		
a. Secured Borrowings -Net of Repayment	(3,87,89,949)	5,36,68,485
b. Unsecured Borrowings - Net of Repayment	(44,85,361)	(17,45,323)
c. Interest Paid	(3,63,48,970)	(3,55,12,541)
CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES-C	(7,96,04,280)	1,64,10,621
NET CHANGE IN CASH / CASH EQUIVALENTS (A+B+C)	(8,13,095)	48,63,912
ADD: CASH/CASH EQUIVALENTS AT BEGINNING	88,41,130	39,77,218
CASH/CASH EQUIVALENTS AT END OF THE YEAR	80,28,035	88,41,130

Note :

- 1 Non cash financial and investing activities have been excluded.
- 2 The cash flow statement has been prepared under the "Indirect method" as set out in the Accounting Standard 3 " Cash Flow statement " issued under companies
- 3 Previous years figures have been regrouped and re-arranged wherever Necessary

As per our Report of even date

For **V. Sankar Aiyar & CO,**
Chartered Accountants
Firm Regn. No. 109208W

Arvind Mohan
Partner Membership No. 124082

For and on Behalf of the Board of Directors

Asit D. Javeri
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Director

Dhirendra M. Shah
Director

Pradeep N. Desai
Director

Place : Mumbai
Dated : 26th April, 2017

Place : Mumbai
Dated : 26th April, 2017



NOTE 1

SIGNIFICANT ACCOUNTING POLICIES :

a) Basis of preparation of Financial Statements

The financial statements are prepared in accordance with generally accepted accounting principles in India. The company has prepared these financial statements to comply in all material respects with the accounting standard notified under section 133 of Companies Act, 2013. The financial statements have been prepared on accrual basis and under historical cost convention. The accounting policies adopted in the preparation of financial statement are consistent with those of previous year.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/ materialized.

c) Revenue Recognition

Sales of Products are recognized when significant risks and rewards of ownership of products are passed on to customers. Sales are stated at realizable values and are recorded net of excise duty, sales tax and returns. Dividend Income is recognized when the right to receive dividend is established. Interest income is recognized on the time proportion method.

d) Property, Plant and Equipment

- (i) Property, Plant and Equipment are stated at their original cost including interest, borrowing cost and other expenses directly related to qualifying assets during construction period.
- (ii) Cost of Property, Plant and Equipment not ready for their intended use before such date is disclosed under Capital Work in Progress.
- (m) All costs relating to up gradations/ enhancements are generally charged off as revenue expenditure unless they bring significant additional benefits of lasting nature.
- (iv) CENVAT Credits on capital goods are recognized in the books when the company becomes eligible to claim the same and are reduced from the cost of respective asset. Depreciation on these assets are calculated on the net amount.
- (v) Property, plant and equipment includes spare parts, stand-by equipment and servicing equipment where the useful life of such assets are more than twelve months.

e) Depreciation

- (i) Assets individually costing ₹ 5,000/- or less are depreciated fully in the year of purchase.
- (ii) Depreciation on Leasehold land is over the primary period of lease.
- (iii) Plant and Equipment acquired before 1st April 2006, building including non-factory building, furniture, fixture and vehicle are depreciated under WDV method at rates prescribed in Schedule II of Companies Act, 2013.
- (iv) Plant and Equipment acquired after 1st April 2006 and computer are depreciated in accordance with Schedule II of Companies Act, 2013.
- (v) Depreciation on Effluent Treatment Plant has been provided @ 100%.

f) Borrowing Cost

The borrowing cost attributed to the acquisition or constructions of qualifying assets are capitalized as a part of cost of such assets. A qualified asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing cost are charged to Statement of Profit and Loss.

g) Impairment

Fixed assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognized, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the greater of assets net selling price or its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, are allocated to its assets on a prorata basis.

h) Investments

Long term investments are stated at cost net of provisions. Investments in shares of foreign subsidiary is expressed in Indian currency at the rate of exchange prevailing at the time when the original investment was made. When market value becomes less than cost, provision is considered only when the diminution is considered as being permanent by the management.

i) Valuation of Inventories

Inventories of Raw Materials, Stores and Spare parts, Packing Material, Fuel, Work-in-progress, Stock in Trade and Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Stock of Scrap and Spent Acid is valued at net realizable value. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Stores and Spares are valued on Weighted Average Cost Basis. All other inventories are valued at Cost on 'First-In-First-Out' Basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

j) Foreign Currency Transaction

Foreign currency transactions are recorded by applying the rates on the date of transaction. Exchange differences arising on foreign currency transactions settled during the year are recognized in the Statement of Profit and Loss for the period.

All foreign currency denominated monetary assets and liabilities are translated at the exchange rates prevailing on the balance sheet date. The resultant exchange differences are recognized in the Statement of Profit and Loss for the year. All non—monetary assets and liabilities are stated at the rates prevailing on the date of the transaction. Exchange difference arising on reporting of long term foreign currency monetary items relating to acquisition of depreciable capital assets at rate different from those at which they were initially recorded in the previous financial statement are being depreciated over the balance life of assets. Exchange difference arising on reporting of all other long term foreign currency monetary items having a term of twelve month or more at the date of origination is amortised over the balance period of such monetary item.

k) Retirement Benefits

(i) Short term employee benefits are recognized as expenses at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

(ii) Post employment and other long term employee benefit are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expenses is recognized at the present value of amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of employment and other long term benefit are charged to the Statement of Profit and Loss.

l) Research and Development cost:

(i) Revenue expenses on Research and Development are written off to the Statement of Profit and Loss.

(ii) Capital expenditure on Research and Development is shown as addition to fixed assets.

m) Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the financial year. Deferred tax is recognized subject to the consideration of prudence in respect of deferred assets on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. In the event of unabsorbed depreciation and carry forward losses, deferred tax assets are recognized only to the extent that there is virtual certainty that sufficient taxable income will be available to realize such assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

n) Provisions

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical evaluation and past experience. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

o) Insurance Claims

Claims receivable are accounted at the time of lodgment depending on virtual certainty of receipt.

p) Earnings Per Share (EPS)

Basic EPS

The earnings considered in ascertaining the Company's basic EPS comprise the net profit/(loss) after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Diluted EPS

The net profit/(loss) after tax and the weighted average number of shares outstanding during the year are adjusted for all the effects of dilutive potential equity shares for calculating the diluted EPS. .



Note No 2

SHAREHOLDERS FUND

SHARE CAPITAL:

Authorised Capital:

	31-03-2017 ₹	31-03-2016 ₹
9250000 (P.Y. 9250000) - Equity Shares of ₹ 10/- each	9,25,00,000	9,25,00,000
11750000-9% (P.Y. 11750000) Cumulative Non Convertible Preference share of ₹. 10/- each	11,75,00,000	11,75,00,000
	21,00,00,000	21,00,00,000

Issued,Subscribed and Paid-up Capital:

9200830-(P.Y. 9200830) Equity Shares of ₹ 10/- each fully paid	9,20,08,300	9,20,08,300
9600000 - 9% (P.Y. 9600000)Non Convertible Cumulative Redeemable Preference share of Rs. 10/- Each Fully paid up Preference Shares)	9,60,00,000	9,60,00,000

TOTAL	18,80,08,300	18,80,08,300
--------------	---------------------	---------------------

Share held by Holding Company

Manekchand Panachand Trading Investment Co. Pvt. Ltd. - Equity Shares
9% Cumulative Non Convertible Preference share of ₹10 Each Fully Paid up

31-03-2017		31-03-2016	
No Of Share	% of Holding	No Of Share	% of Holding
59,60,611	64.78	59,60,611	64.78
96,00,000	100.00	96,00,000	100.00

None Of the share Holders other than Holding Company holds more than 5% as on the reporting date and previous year

Reconciliation of share outstanding as at the beginning and end of the reporting period

31-03-2017					31-03-2016			
Particulars	Equity Share		Preference Share		Equity Share		Preference Share	
	Qty.	Amount	Qty.	Amount	Qty	Amount	Qty	Amount
Opening	9,200,830	9,20,08,300	9,600,000	9,60,00,000	92,00,830	9,20,08,300	96,00,000	9,60,00,000
Add : Issued during the year	-	-	-	-	-	-	-	-
Closing	9,200,830	9,20,08,300	9,600,000	9,60,00,000	92,00,830	9,20,08,300	96,00,000	9,60,00,000

Right, preferences and restriction attached to each class of shares.

The company has only one class of equity shares having at par value of ₹ 10/- per Share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in indian Rupees. The dividend proposed by the Board of Director is subject to the approval of the share holders in the ensuing Annual general meeting. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to number of shares held by share holder.

The company has only one class of Preference shares having par value of ₹. 10/- per Share. The Preference shares are non-convertible in nature bearing fixed dividend rate of 9%. The non-convertible, cumulative, redeemable preference shares shall be redeemed at the option of the company any time after 3 (three) years but not later than 10 (Ten) years from the date of issue & as decided by the Board of Director in accordance with the term of the issue and in accordance with the provision of the Companies Act, 2013, or any re-enactment thereof.

Note No 3

Reserves & Surplus:

Capital Reserve	93,681	93,681
Capital Redumption Reserve	5,00,000	5,00,000
Securities Premium	54,96,740	54,96,740
General Reserve	13,33,29,906	13,33,29,906
Surplus /(Deficit) in statement of profit & loss		
Opening Balance	(25,50,93,599)	(20,66,51,359)
Profit /(Loss)for the year	2,25,97,063	(4,84,42,240)
Closing Balance	(23,24,96,536)	(25,50,93,599)
TOTAL	(9,30,76,209)	(11,56,73,272)

**NON-CURRENT LIABILITIES:****Note No 4****31-03-2017****31-03-2016**

₹

₹

Long Term Borrowings:

1) Secured Term Loan From Bank:

2) Unsecured :

I) Deferred sales tax Loan (Refer note) 4 (1)

2,38,964

2,35,879

II) Inter Corporate Deposit (Refer note) 4 (2)

10,66,13,333

—

TOTAL**10,68,52,297****2,35,879****Note No 4 (1)**

Loan of ₹ 20.89 Lacs under sales tax deferred scheme is interest free and is repayable in 15 installment from April -2012 to April -2018

Note No 4 (2)

a) Inter Corporate Deposit are repayable in quarterly after April -2018 and carrying interest Rate of 15% to 16%

Note No 5

Deferred tax Liabilities (Net)

Depreciation and Amortisation

Unabsorbed Depreciation under income Tax Act.

2,32,77,348

2,22,11,018

Expenditure allowed under (Income Tax Act on Payment basis)

(1,45,50,762)

(1,49,61,610)

Deferred tax assets an unabsorbed depreciation has been recognized to the extent of deferred tax liabilities

(87,26,586)

(72,49,408)

TOTAL

—

—

Note No 6

Long Term Provisions:

2,01,13,965**1,71,21,197**

Provision for employee Benefits -

(Leave Encashment & Gratuity) (Refer Note 23)

TOTAL**2,01,13,965****1,71,21,197****Note No 7**

Short-term borrowings:

Secured:

Working Capital Loan From bank

[The facilities are secured by way of first pari passu charge on Current Assets, second pari passu charge on Company's entire fixed assets and further secured by personal guarantee of Chairman & Managing Director.]

15,68,94,149**19,56,84,097**

Unsecured:

Inter Corporate Deposit

1,66,20,000**12,77,01,779****17,35,14,149****32,33,85,876****Note No 8**

Trade payables:

Others

25,50,48,060**20,33,82,389****TOTAL****25,50,48,060****20,33,82,389**

- (a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to Any supplier as at the end of accounting year;
- (b) the amount of interest paid by the buyer under MSMED Act,2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year
- (c) the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act 2006-Not paid



Note 8 Cont;

- (d) The amount of interest accrued and remaining unpaid at the end of accounting year; and
- (e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance the interest dues as above are actually paid to the small enterprises ,for the purpose of disallowance as a deductible expenditure under section 23.

31-03-2017

31-03-2016

Note No 9

Other current liabilities:

Current maturities of long term debts-Secured & Unsecured Loan Refer Note No 4(1)

	4,14,976	15,70,796
Interest Accrued & Due Refere Note 4(2)	1,18,99,451	1,42,20,697
Redeemed Preference share & Excess right issue (Unclaimed)	13,500	21,000
Unclaimed Bonus & salary	45,547	45,547
Statutory Dues	2,62,68,918	2,05,90,269
Employee Dues	1,79,39,777	1,64,74,555
Advance From Customer	-	-
Book Overdraft	2,30,77,037	7,30,809
Others (outstanding Expenses)	57,30,248	53,22,238
TOTAL	8,53,89,454	5,89,75,912

Note No 10

Short-term provisions:

Provision for employee Benefits -

(Leave Encashment & Gratuity) (Refere Note 23)

	81,27,412	63,39,671
TOTAL	81,27,412	63,39,671

Note No 11

PROPERTY, PLANT & EQUIPMENT

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION				NETBLOCK	
	As on 01.04.16	Additions for 2016-17	Adjustments	Total as at 31.03.17	As on 01.04.16	For The Year	Adjustments	Total upto 31.03.17	As on 31.03.17	As on 31.03.16
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible Assets										
Land : Leasehold	76,400	-	-	76,400	34,179	804	-	34,983	41,417	42,221
Freehold	7,66,94,573	-	-	7,66,94,573	-	-	-	-	7,66,94,573	7,66,94,573
Factory Buildings	10,06,18,539	3,16,990	-	10,09,35,529	7,78,79,377	24,13,625	-	8,02,93,002	2,06,42,527	2,27,39,162
Non Factory building	43,00,000	-	-	43,00,000	4,12,764	3,69,287	-	7,82,051	35,17,949	28,87,236
Plant & Equipments including other equipments	78,58,57,218	62,52,923	-	79,21,10,141	59,73,17,714	1,60,26,943	-	61,33,44,657	17,87,65,484	18,85,39,504
Furnitures & Fixtures	70,02,591	-	-	70,02,591	65,73,212	12,179	-	65,85,391	4,17,200	4,29,379
Computer	1,19,48,442	-	-	1,19,48,442	1,15,81,810	31,860	-	1,16,13,670	3,34,772	3,66,632
Vehicles	1,86,95,800	-	-	1,86,95,800	1,73,02,717	3,66,153	-	1,76,68,870	10,26,930	18,93,083
GRAND TOTAL	1,00,51,93,563	65,69,913	-	1,01,17,63,477	71,11,01,773	1,92,20,851	-	73,03,22,624	28,14,40,853	28,14,40,853
PREVIOUS YEAR TOTAL	1,00,38,86,987	13,07,076	500	1,00,51,93,563	69,10,63,313	2,00,38,460	-	71,11,01,773	29,40,91,790	29,40,91,790



Note No 12

NON-CURRENT INVESTMENT

Trade Investment

Unquoted :

Investment in equity instruments of Subsidiaries

750 (P.Y 750) Equity Shares of Anuchem B.V.B.A. - Belgium
of 25 Euro each

TOTAL A

Other Investments

Quoted :

500 (P.Y. 500) Anco Communication Ltd

3900 (P.Y. 3900) Enarai Finance Ltd

18000 (P.Y. 18000) Indian Extractions Ltd

5000 (P.Y. 5000) Indo-Biotech Ltd

2000 (P.Y. 2000) First Object Technoliges Ltd

1300 (P.Y. 1300) Mexworth Orchards Ltd

5000 (P.Y. 5000) Ojas Technochem Products Ltd

31-03-2017

₹

31-03-2016

₹

7,71,550

7,71,550

7,71,550

7,71,550

71,788

71,788

78,000

78,000

5,08,194

5,08,194

1,91,250

1,91,250

81,400

81,400

13,000

13,000

1,31,495

1,31,495

10,75,127

10,75,127

10,75,127

10,75,127

TOTAL B

-

-

TOTAL (A+B)

7,71,550

7,71,550

[Aggregate Cost of quoted investment ₹ 7,71,550 and market value of ₹ 7,71,550]

Note No 13

LONG TERM LOANS AND ADVANCES:

(Unsecured Considered Good)

Capital advance

Other Loan & advances

Security Deposits

Loan to Staff

Foreign Currency Monetary item translation difference account

Advance income tax (Net of Provision)

57,26,831

10,39,735

61,16,539

61,12,539

4,68,636

3,10,650

-

-

54,18,246

54,06,007

TOTAL

1,77,30,252

1,28,68,931

Note No 14

Inventory: (Valued at Lower Cost & Net Realizable Value)

Raw Material (Include stock in transit ₹ 502504) (P.Y Nil)

Work in Progress

Finished goods

Stores & Spares

Others (Fuel, Packing material)

1,22,80,778

1,04,90,393

6,78,84,576

3,94,84,165

2,10,64,424

69,17,383

3,35,86,295

3,08,18,186

33,83,025

20,91,667

TOTAL

13,81,99,098

8,98,01,794

Note No 15

Trade Receivable:

(Unsecured Considered Good)

Overdue More than Six Months

Other

4,27,042

4,72,654

12,99,79,179

12,93,11,258

TOTAL

13,04,06,221

12,97,83,912



Note No 16

Cash and Bank Balance

Cash and cash equivalent:

Cash in hand Refer Note No (16.1)

Balance with banks

*Other Bank Balance

Margin money(Lien with Banks) with original Maturity < 12 Months

TOTAL

31-03-2017

₹

31-03-2016

₹

7,08,630

4,37,273

12,77,274

14,61,631

60,42,131

69,42,226

80,28,035

88,41,130

Note No 16 (1)

As notified by Ministry of Corporate Affairs (MCA) vide its notification no.G.S.R. 308(E), the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November,2016 to 30th December,2016 as provided in the table below:-

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	6,65,500	1,27,744	7,93,244
(+) Permitted receipts	-	5,05,000	5,05,000
(-) Permitted payments	-	4,54,777	4,54,777
(-) Amount deposited in Banks	6,65,500	-	6,65,500
Closing cash in hand as on 30.12.2016	-	1,77,967	1,77,967

Note No 17

Short Term Loans & Advances:

(Unsecured Considered Good)

Loan to Staff

Advance to Vendors

Balance With Staturity /Revenue Authorities

Interest Accrued on Deposit

Other *

TOTAL

1,25,000

2,24,346

56,35,308

27,09,733

5,90,42,953

4,74,23,866

1,22,381

4,33,134

1,45,27,453

71,95,053

7,94,53,095

5,79,86,132

(*Includes Employee Loan, Other Current Assets)

Note No 18

Other Current Assets

Prepaid Expenses

TOTAL

9,54,495

6,36,886

9,54,495

6,36,886

PROFIT AND LOSS ACCOUNTS

Note No 19

REVENUE FROM OPERATIONS:

Sales of product

Less: Excise duty

TOTAL

57,45,48,712

35,54,98,224

1,72,36,872

1,04,93,518

55,73,11,840

34,50,04,706

Other operating revenue:

Export Benefit

Other (waste material)

TOTAL

1,46,02,040

51,51,527

9,01,469

6,08,040

1,55,03,509

57,59,567

57,28,15,349

35,07,64,273

Detail of Sales

Sales Of organic intermediates

Sales Of Chemical intermediates

Earning in Foreign Currency (FOB)

1,55,71,845

13,96,85,786

54,26,41,463

20,59,26,960

42,35,41,344

22,47,95,047



Note No 20

Other Income:

	31-03-2017 ₹	31-03-2016 ₹
Interest income TDS ₹ 12239 (P.Y ₹ 21702)	4,56,606	4,42,430
Balances Written back	30,92,176	-
Other Miscellaneous income	1,09,862	6,55,367
Net Gain On Foreign Exchange Transation	11,51,823	5,23,951
TOTAL	48,10,467	16,21,748

EXPENSES Note

No 21

Cost of Material Consumed

Inventory at the beginning of the Period	1,12,48,181	1,44,07,452
Add: purchase	33,70,77,053	18,70,50,546
Less Inventory at the end of the Period	1,31,23,210	1,12,48,181
TOTAL	33,52,02,024	19,02,09,817

Value of Raw Material Consumed

Imported	5.31%	1,78,25,764	2.44%	46,34,888
Indenous	94.69%	31,73,76,260	97.56%	18,55,74,929
Ratw Material Consumed				

Benzen	5,81,21,684	4,63,08,546
Nitric acid	4,22,36,064	2,61,87,442
Cast iron powder	4,61,64,962	2,28,87,972
Oleum 65%	1,89,29,577	80,09,519
Caustic Potash Flakes	31,68,438	1,05,11,233
Packaging Material	24,54,974	15,17,629
Other	16,41,26,325	7,47,87,476
TOTAL	33,52,02,024	19,02,09,817

Note No 22

Change in inventory of Finished goods ,Work in progress and Stock in Trade

Opening Finished Goods	69,17,383	92,93,330
Less: Closing finished good	2,36,97,477	69,17,383
SUB-TOTAL	(1,67,80,094)	23,75,947
Opening work in progress	3,94,84,165	3,22,64,448
Less: Closing work in progress	6,78,84,576	3,94,84,165
SUB-TOTAL	(2,84,00,411)	(72,19,717)
Other Opening Stock	75,000	50,000
Less: Other Closing Stock	1,00,000	75,000
SUB-TOTAL	(25,000)	(25,000)
Scrap Opening Stock	1,75,000	1,50,000
Less: Scrap Closing Stock	2,00,000	1,75,000
SUB-TOTAL	(25,000)	(25,000)
TOTAL	(4,52,30,505)	(48,93,770)



Note No 23

Employee Benefit Expenses:

	31-03-2017	31-03-2016
	₹	₹
Salaries, wages and Bonus	6,34,43,141	4,44,85,003
Managerial Remuneration	77,13,443	65,69,494
Contribution to PF and other funds	30,68,171	26,80,923
Gratuity Expenses	31,26,351	18,36,547
Staff welfare	14,58,845	12,40,889
TOTAL	7,88,09,951	5,68,12,856

Employee Benefit

Defined Contribution Plan

Contribution to defined contribution plan, recognized as expenses

for the year are as under

Employers Contribution to provident fund	12,51,147	23,63,612
Employers Contribution to pension scheme	17,50,560	23,63,558

Defined Benefit Plan

The Employee's gratuity fund scheme managed by a trust is a defined benefit plan. The present value of the obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

The estimated rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority promotion and other relevant factor including supply and demand in the employment market. The above information is certified by actuary. The expected rate on plan assets is determined considering several applicable factor, mainly the composition of plan assets held assessed risk, historical result of return on plan assets and the company's policy for plan assets management.

FINANCIAL YEAR - APR-16 TO MAR-17

I) Reconciliation of opening and closing balance of defined Benefit obligation

	Gratuity		Leave Encashment	
	2016-17	2015-16	2016-17	2015-16
	₹	₹	₹	₹
Defined Benefit Obligation at beginning of the year	1,77,61,695	1,71,75,933	8,28,61,100	76,01,629
On Amalgamation	-	-	-	-
Current Service Cost	5,54,461	7,45,086	5,73,587	5,44,372
Interest Cost	13,87,188	13,65,487	6,45,192	6,04,330
Actuarial gain/loss	11,84,702	(76,596)	6,40,333	(4,03,010)
Benefit paid	-	(14,48,215)	-	(86,221)
Settlement cost	-	-	-	-
Defined Benefit Obligation at year end	2,08,88,046	1,77,61,695	1,01,20,212	82,61,100
II) Reconciliation of opening and closing balance of				
fair value of plan assets at beginning of the year	25,61,927	38,12,712	-	-
On Amalgamation	-	-	-	-
Expected Return on Plan Assets	2,00,086	3,03,111	-	-
Actuarial (gain)/loss	4,868	(1,20,799)	-	-
Employer Contribution	-	1,15,118	-	-
Benefit Paid	-	(14,48,215)	-	-
Settlement cost	-	-	-	-
Fair Value of plan assets at year end	27,66,881	25,61,927	-	-
Actual return on plan assets				



	<u>31-03-2017</u>	<u>31-03-2016</u>	<u>31-03-2017</u>	<u>31-03-2016</u>
	₹	₹	₹	₹
III) Reconciliation of fair value of assets and obligation				
Fair value of plan assets	27,66,881	25,61,927	-	-
Present value of obligation	2,08,88,046	1,77,61,695	1,01,20,212	82,61,100
Amount recognised in balance sheet	1,81,21,165	1,51,99,768	1,01,20,212	82,61,100
IV) Expenses recognized during the year (under head of "payment to and Provision for employee")				
Current Service Cost	5,54,461	7,45,086	5,73,587	5,44,372
Interest Cost	13,87,188	13,65,487	6,45,192	6,04,330
Expected return on Plan assets	(2,00,086)	(3,03,111)	-	-
Actuarial (gain)/loss	11,79,834	44,203	6,40,333	(4,03,010)
Net Cost	29,21,397	18,36,547	18,59,112	7,45,692
V) Actuarial assumption				
Discount Rate (P.A.)	7.81%	7.95%	7.81%	7.95%
Expected rate of return on plan assets (P.A.)	7.81%	7.81%	7.81%	7.81%
Rate of escalation in salary (P.A.)	4%	4%	4%	4%

Note No 24

Financial Cost:

Interest Expenses	2,68,76,701	2,83,30,922
Other borrowing cost	2,13,13,062	2,23,66,083
Net Gain/Loss foreign currency transaction	58,658	20,096
TOTAL	4,82,48,421	5,07,17,100

Note No 25

Other Expenses

	<u>31-03-2017</u>	<u>31-03-2016</u>
	₹	₹
Power and Fuels:	6,87,49,073	4,46,86,484
Rent	4,73,040	5,09,920
Rate & Tax	48,88,618	46,83,255
Insurance	11,33,403	11,22,823
Printing & Stationery	9,20,135	7,85,279

Note No. 25 Cont..

	<u>31-03-2017</u>	<u>31-03-2016</u>
	₹	₹
Postage Telegram & Telephone	12,11,614	12,36,144
Travelling Expenses	18,17,844	19,14,510
Legal & Professional fees	51,43,239	36,44,372
Conveyance Expenses	15,52,944	17,16,128
Director Sitting Fees	1,57,000	1,65,000
Electricity Charges	99,385	2,26,229
Security Charges	17,89,878	19,42,461
Miscellaneous Expenses	35,16,107	21,90,342
Stores & Spares Consumed	46,92,287	49,02,387
Repairs Maintenance		
Machinery	6,10,178	4,20,470
Other	24,03,938	14,19,077
Other Manufacturing Expenses	26,24,288	32,06,915
Effluent Expenses	30,32,478	14,06,351
R&D Expenses	1,15,000	2,24,500
Payment to auditor		
Audit Fees	3,00,000	3,00,000
Tax Audit	65,000	65,000
Others Service	1,27,500	77,500
Freight and Forwarding Expenses	75,07,998	54,75,985
Commission charges	14,50,137	12,24,092
Local freight & other expenses	33,96,927	22,00,482
Net Loss on Foreign exchange Transaction	-	-
Provision Diminution in the value of investment	-	1,08,420
Balances Written off	-	20,89,670
Guarantee Commission	10,00,000	-
	<u>11,87,78,011</u>	<u>8,79,43,797</u>

Note No 26

**Earning per share of Nominal value of ₹ 10/- each computed in
according with Accounting Standard (As-20) for the year**

a) profit /(loss) after tax as per P&L Account	2,25,97,063	(4,84,42,240)
b) Opening number of equity shares outstanding	92,00,830	92,00,830
c) Closing number of equity shares outstanding	92,00,830	92,00,830
d) Basic /Diluted earning per share [(a)/(c)] (₹ 10/- per share)	2.46	(5.26)



Note No 27

Contingent Liabilities,

Capital & other commitments,

	31-03-2017 ₹	31-03-2016 ₹
(a) Estimated amount of contract remaining to be executed (net of payment)	—	—
(b) in respect of Guarantee given by the company's Banker for central excise and other purpose	—	—
(c) in respect of corporate guarantee given by the company to the bank for loans borrowed by indian subsidiary	—	—
Preference Dividend on 9 % cumulative Redeemable preference shares	1,98,79,841	1,03,11,781

Note No 28

SEGMENT REPORT

In accordance with AS-17 'Segment Reporting' segment information has been given in the consolidated financial statements of Sadhana Nitro Chem Ltd. and therefore no separate disclosure on segment information is given in these financial statements.

Note No 29 Related Party Disclosure Nature Of Transaction	Holding Company ₹	Subsidiaries ₹	Associate ₹	Key Management personal ₹
a) Sales of Goods	-	9,19,27,225	-	-
	-	(7,62,52,149)	-	-
b) Managerial Remuneration	-	-	-	77,13,443
	-	-	-	(65,69,494)
c) Director Sitting Fees	-	-	-	-
	-	-	-	(40,000)
d) Loan Accepted	2,69,12,313	-	-	-
	(92,91,000)	-	-	-
e) Loan Repayment	2,69,12,313	-	-	-
	(86,52,313)	-	-	-
(f) Guarantee Commission	-	-	-	10,00,000
	-	3,13,91,521	-	29,40,014

Outstanding Balance as on 31st March, 2017

I) List of related parties

- i) Holding Company M/S Manekchand Panachand Trading Investment Co pvt ltd
- ii) Subsidiary M/S Anuchem B.V.B.A Belgium

II) Key Mangement Personal

- i) Shri. Asit D. Javeri Chairman & Managing Director
Smt. Seema A Javeri wife of Shri A.D .Javeri
Smt. Molina D Javeri mother of Shri A.D. Javeri
Mr. Abhishek A. Javeri son of Shri A.D Javeri
- ii) Abhishek A. Javeri Director & Chief Financial Officer
- iii) Shri Nitin R.Jani Company Secretary

**Note No 29.... cont.**

III) Disclosre in respect of material related party transaction during the year

- (1) Sale of Good to Anuchem BVBA, Belgium ₹ 9,29,27,225 (₹ 7,62,52,149)
- (2) Loan Accepted from Manekchand Panachand Trading & Investment Co.Pvt Ltd. (Holding Company) ₹ 2,69,12,313 (P.Y ₹ 9291000)
- (3) Loan Repayment from Manekchand Panachand Trading & Investment Co.Pvt Ltd. (Holding Company) ₹ 2,69,12,313 (P.Y ₹ 86,52,313)

Note No 30

Previous year's figures have been regrouped and re-classified wherever necessary.

			31-03-2017	31-03-2016
			₹	₹
Note No 31				
(A) VALUE OF IMPORT CALCULATED CIF BASIS				
Raw Material			1,72,47,249	57,29,725
	TOTAL		1,72,47,249	57,29,725
Value of store Consumed				
Import	0%	-	0%	-
Indegenous	100%	46,92,287	100%	49,02,387
(B) EXPENDITURE IN FOREIGN CURRENCY:				
(To the extent paid)				
Travelling Expenses			4,88,361	11,53,363
Commission			1,01,055	-
Interest and other charges on FC loan from banks			1,84,732	15,451
	TOTAL		7,74,148	11,68,814

As per our Report of even date

For V. SANKAR AIYAR & CO.
Chartered Accountants
Firm Regn.No. 109208W

ARVIND MOHAN
Partner Membership No. 124082

Place : Mumbai
Dated : 26TH APRIL 2017

For and on Behalf of the Board of Directors

ASIT D.JAVERI
Chairman &
Managing Director

ABHISHEK A. JAVERI
Director & CFO

Smt. SEEMA A. JAVERI
Director - Administration

NITIN R. JANI
Company Secretary

ARVIND R. DOSHI
Director

PRIYAM S. JHAVERI
Director

DHIRENDRA M. SHAH
Director

PRADEEP N. DESAI
Director

Place : Mumbai
Dated : 26TH APRIL 2017

Annual Report of the Subsidiary Company

ANUCHEM B.V.B.A. BELGIUM

BOARD OF DIRECTORS

Mr. Asit D. Javeri

Mr. Nitin R. Jani

Mr. Ronny Verchaeren

AUDITORS

Mr. Luc Verreyken

Accountantskantoor,

Agiver BVBA

Bisschoppenhoflaan 588,

B-2100 Deume.

DIRECTOR'S REPORT

The Director of Anuchem BVBA are pleased to submit herewith the annual report and audited statement of accounts for the year ended 31st December 2016

Review of Business:

The Principal activities of the company continued to be marketing of chemicals. The Turnover during the year was EUR 1.368.851,36 (2015 - EUR 778.913,43). The profit after tax at EUR 5.205,65 (2015 Loss for the year - EUR 11.748,98)

The directors opined that, barring unforeseen circumstances the performance of company is expected to improve in the current financial year.

DIVIDEND

The directors have decided that there will be no dividend for the year 2016.

AUDITORS

The auditor, Mr. Luc Verreyken of Agiver BVBA, Accountantskantoor have expressed their willingness to continue as Auditors and the Directors will place a resolution before the general meeting for their re-appointment

Antwerpen
12 April, 2017

On behalf of board
A. D. Javeri
Director

AUDITORS REPORT

AGIVER BVBA ACCOUNTANTSKANTOOR
BISSCHOPPENHOFLAAN 588
2100 DEURNE
REG. N° 13320 2N 70

To the shareholders of Anuchem BVBA :

I have audited the balance sheet of Anuchem BVBA as at 31st December 2016 and the related profit / loss account which have been prepared on the basis of accounting policies stipulated under chapter II of the royal decree of 8th October 1976.

The said accounting policies have not been altered in relation to the previous financial year. The profit and loss account is not being majorly influenced by yields and costs that have to be ascribed to the previous financial year

I have conducted my audit in accordance with the auditing standards issued by IAB Accountants organisation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the companies circumstances, consistently applied and adequately disclosed.

I Planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also considered the overall adequacy of the presentation of information in the financial statement.

In my opinion the financial statement give a true and fair view of the state of affairs of the company at 31st December, 2016 and of the profit or Loss for the year then ended and have been properly prepared in accordance with the requirement of the Belgium Company law.

Antwerpen
12 April, 2017

For Agiver BVBA
Luc Verreyken
Reg. No. 13320 2N 70

ANUCHEM B.V.B.A.

ANNUAL STATEMENT OF ACCOUNTS OF ANUCHEM BVBA BALANCE SHEET AFTER DISTRIBUTION OF PROFIT

As at 31 Dec. 2016	2016 (currency : Euro)	2015 (currency : Euro)
LIABILITIES		
1) Shareholder's Funds		
a) Share Capital - Issued Capital	18.750,00	18.750,00
b) Reserves:		
i) Legal reserve	1.875,00	1.875,00
ii) Profit and loss Account	2.389,83	-2.815,82
	<u>4.264,00</u>	<u>-940,82</u>
2) Current Liabilities		
a) Trade Payables	366.163,00	180.849,65
b) Services	12.383,29	7.897,56
c) Dividend Payable	1.875,00	1.875,00
	<u>380.421,29</u>	<u>190.619,21</u>
TOTAL OF LIABILITIES	<u>403.436,12</u>	<u>208.428,39</u>
ASSET		
1) Non-current assets		
a) Fixed Assets	1.830,97	1.830,97
Fixed Assets (gross)		
Less : depreciation	<u>(1830,97)</u>	<u>(1830,97)</u>
	0,00	0,00
2) Current Assets		
a) Inventories	327.807,26	117.885,30
b) Receivables		
i) Trade receivables	52.623,05	73.163,91
ii) Vat receivables	<u>2.355,69</u>	<u>5.027,48</u>
	54.978,74	78.191,39
3) Liquid resources	20.650,12	12.351,70
	<u>208.428,39</u>	<u>208.428,39</u>
TOTAL ASSETS	<u>403.436,12</u>	<u>208.428,39</u>

AGIVER BVBA
Accountantskantoor
Reg. No. 13320 2N 70

Antwerpen, 12th April 2017

AGIVER BVBA
Accountantskantoor
Reg. No. 13320 2N 70

Antwerpen, 12th April 2017

ANUCHEM B.V.B.A.

ANNUAL STATEMENT OF ACCOUNTS OF ANUCHEM BVBA PROFIT AND LOSS ACCOUNT

As at 31 Dec. 2016	2016 (currency : Euro)	2015 (currency : Euro)
INCOME:		
Turnover	1.368.851,36	778.913,43
Interest and other Income received	1.138,02	1.846,63
Increase/decrease in closing stock	209921,96	62289,57
Income (loss) on exchange fluctuation	(8550,15)	(5692,67)
	<u>1.571.361,19</u>	<u>837.356,96</u>
EXPENSES:		
Purchases	1.468.413,43	774.333,50
Clearing en forwarding charges	84.539,62	65.027,44
Travelling and administrative expenses	7.084,95	6.442,15
Local Taxes	439,50	440,50
Financial Expenses	5.678,04	2.862,35
	<u>1.566.155,54</u>	<u>849.105,94</u>
PROFIT(LOSS) BEFORE TAXATION :	5205,65	(11748,98)
Less: Provision tax for the year	0,00	0,00
PROFIT (LOSS) AFTER TAX	<u>5205,65</u>	<u>(11748,98)</u>
Add: Carried over profit (loss) of last year	(2815,82)	8.933,13
profit (loss) to be carried over	2.389,83	(2815,82)

Notes on annual statement of account of anuchem BVBA FOR 2016

- 1) The Principal accounting policies adopted by the company are as follows:

a) Basis of Accounting

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standard

b) Currencies

This account have been prepared in EURO (E)

d) Foreign Currencies

Revenue transaction in foreign currencies are translated in Euro at the exchange rate prevailing on the date of transaction

At the end of the financial year the assets and liabilities expressed in foreign currencies are translated in to Euro at the exchange rulling at the end of financial year.

e) Depreciation

Depreciation on Fixed assets is at the rate 20% per annum on straight line basis.

f) Taxation:

Tax payable is provided on taxable profit at the current tax rate.

2) SHARE CAPITAL

Authorised, allotted and fully paid-up.
750 shares of E 25.00 Euro each.

3) RECEIVABLES (DUE WITHIN ONE YEAR)

	More than 6 Months	Others
	2016	2015
a) Trade receivable	-	52.623.05
b) Other receivable	-	73.0163.91

4) SUPPLIER (DUE WITHIN ONE YEAR)

	More than 6 Months	Others
	2016	2015
a) For Purchase	-	386.163.00
b) For services	-	12.383.29
	378.546.29	188.744.23

5) TRAVELLING AND ADMINISTRATIVE EXPENSES	2016	2015
	Currency : Euro	Currency : Euro
Fees & Professional charges	6.318.22	6.214.72
Register and publication costs	129.13	127.43
other business expenses	637.60	0.00
	7.084.95	6.442.15

6) CLEARING AND FORWARDING CHARGES

Freight sales	56.084.25	46.166.20
Freight purchase / storage	16.455.37	6.861.24
Fee for bookkeeping	12.000.00	12.000.00
	84.539.62	65.027.44

7) LOCAL TAX

Local Taxes	439.50	440.50
	439.50	440.50

8) FINANCIAL EXPENSES

Interest	3.33	0.00
Bankcharges	5.619.35	2.834.43
Difference in payments	55.36	27.92
	5.678.04	2.834.43

9) LIQUID RESOURCES

Belfius (USD)	12.958.30	0.00
Belfius (EURO)	6.022.62	0.00
State Bank of India (USD)	827.69	1.019.47
State Bank of India (EURO)	747.94	11.238.66
	20.556.55	12.258.13
	93.57	93.57
	20.650.12	12.351.70

AGIVER BVBA
Accountantkanloor
Reg. No. 13320 2N 70

A. D. Javeri
Director

Antwerpen, 12th April 2017



CONSOLIDATED ANNUAL REPORT
OF
SADHANA NITRO CHEM LIMITED
AND
ITS SUBSIDIARIES



**To the Members of the Sadhana Nitro Chem. Limited
Report on the consolidated Financial Statements**

1. We have audited the accompanying consolidated financial statements of Sadhana Nitro Chem Limited ("the holding Company") and its subsidiaries (the holding company and its subsidiaries together referred to as the "the group"), which comprise the Consolidated Balance Sheet as at 31st March 2017, the Consolidated Statement of Profit and Loss and Consolidated Cash flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including Accounting Standards referred under section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014. The respective Board

To the Memb of Directors of the companies included in the group are responsible maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. 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.
5. 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
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial



control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports to in sub- paragraph (a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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:

- (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March 2017;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the consolidated profit of the Group for the year ended on that date, and
- (c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

Other Matters

9. We did not audit the financial statements of 1 wholly owned subsidiary whose financial statements reflect total assets of Rs. 329.17 Lacs as at 31st March 2017, total revenue of Rs. 937.98 Lacs and net cash outflow of Rs. 12.49 Lacs for the year then ended on that date as



considered in the consolidated financial statements. These financial statements are unaudited whose reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements/ financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated 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 the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding company, 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 Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A", and
- (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. There are no pending litigation which would impact financial position of consolidated financial position of the group;
 - ii. The Group did not have any material foreseeable losses on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and there were no amounts required to be transferred to Investor Education and protection fund by the subsidiary Company incorporated in India.
 - iv. The Group has provided requisite disclosures in the financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management – (Refer Note No. 16.1 of Consolidated Financial Statements)

For V. Sankar Aiyar & Co
CHARTERED ACCOUNTANTS
Firm Reg No: 109208W

Arvind Mohan
Partner
Membership No. 124082

Place: Mumbai
Date: April 26, 2017



Annexure - A to the Auditors' Report

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of Infosys Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting



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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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 31 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 ICAI.

For V. Sankar Aiyar & Co
Chartered Accountants
Firm Reg No: 109208W

Arvind Mohan
Partner
Membership No. 124082

Place: Mumbai
Date: April 26, 2017



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

	Note	Audited 31-03-17 Rs.	Audited 31-03-16 Rs.
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	188,008,300	188,008,300
Reserves and Surplus	3	(97,088,568)	(115,804,120)
Non-Current Liabilities			
Long-term borrowings	4	106,852,297	235,879
Deferred Tax Liabilities (Net)	5	-	-
Long term provisions	6	20,113,955	17,121,197
Current Liabilities			
Short-term borrowings	7	173,514,149	337,606,573
Trade payables	8	255,176,384	204,203,557
Other current liabilities	9	85,389,454	44,755,218
Short-term provisions	10	8,257,256	6,481,102
TOTAL		740,223,218	682,607,704
ASSETS			
Non-current assets			
Property, Plant & Equipments-Tangible	11	281,440,853	284,091,790
Capital work-in-progress	12	86,993,828	86,993,828
Long term loans and advances		17,730,252	12,868,931
Current assets			
Inventories	13	162,200,583	91,041,608
Trade receivables	14	103,127,438	128,603,677
Cash and Bank balances	15	8,322,672	10,394,851
Short-term loans and advances	16	79,453,095	57,986,132
Other current assets	17	954,496	636,886
TOTAL		740,223,218	682,607,704
Significant Accounting Policies			
Other notes forming part of financial statement 26 to 30	1		

As per our Report of even date

For V. SANKAR AIYAR & CO.

Chartered Accountants

Firm Regn. No. 109208W

ARVIND MOHAN

Partner Membership No. 124082

For and on Behalf of the Board of Directors

ARVIND R. DOSHI

Director

ASIT D. JAVERI

Chairman & Managing Director

ABHISHEK A. JAVERI

Director & CFO

Smt. SEEMA A. JAVERI

Director -Administration

NTIN R. JANI

Company Secretary

Place: Mumbai

Dated: 26TH APRIL 2017



CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD 31st March, 2017

	Note	31-03-2017 Rs.	31-03-2016 Rs.
INCOME			
Revenue from operations	18	551,552,378	358,094,864
Other Income	19	4,913,531	2,240,548
Total Revenue		556,465,909	360,335,412
EXPENSES			
Cost of materials consumed	20	335,202,024	190,209,817
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	21	(69,058,038)	(1,749,079)
Employee benefit expense	22	78,809,951	56,812,856
Financial costs	23	48,842,720	50,938,967
Depreciation and amortization expense		19,220,851	20,038,460
Other expenses	24	125,147,769	93,495,903
Total Expenses		538,165,277	409,746,924
Profit before tax Exceptional items and taxes		18,300,632	(49,411,512)
Profit Before Tax / (Loss) Before Tax		18,300,632	(49,411,512)
Current Tax		-	-
Deferred Tax		-	-
Profit/(Loss) for the period		18,300,632	(49,411,512)
Basic /Diluted Earning per equity share of face value of Rs. 10 each (fully paid)	25	1.99	(5.37)
Significant Accounting policies	1		
Other Note Forming part of financial statement 26 To 30			

As per our Report of even date

For V. SANKAR AIYAR & CO.

Chartered Accountants

Firm Regn. No. 109208W

ARVIND MOHAN

Partner Membership No. 124082

For and on Behalf of the Board of Directors

ARVIND R. DOSHI

Director

ASIT D. JAVERI

Chairman & Managing Director

ABHISHEK A. JAVERI

Director & CFO

Smt. SEEMA A. JAVERI

Director -Administration

NTIN R. JANI

Company Secretary

Place: Mumbai

Dated: 26TH APRIL 2017



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	31-03-2017	31-03-2016
A	Rs.	Rs.
CASH FLOW ARISING FROM OPERATING ACTIVITIES		
NET PROFIT/ Loss (-) BEFORE TAX	18,300,632	(49,411,512)
Add :		
a. Depreciation	19,220,351	20,538,460
b. Interest	48,842,720	50,938,967
c. Diminution in the value of Investments	-	108,420
a. Profit on of Sale of Investments		
CASH OPERATING PROFIT BEFORE CHANGE IN WORKING CAPITAL	86,364,203	21,674,335
CHANGE IN WORKING CAPITAL		
a. Trade & other Receivables	25,476,239	(55,342,315)
b. Inventories	(71,156,975)	3,213,535
c. Loans & Advances	(26,645,894)	12,821,175
d. Trade Payables/Creditors/Provisions	82,570,190	8,742,945
CASH GENERATION FROM OPERATION	10,241,559	(30,764,660)
a. Direct Taxes (Paid)	96,695,762	(9,090,325)
NET CASH FLOW FROM OPERATING ACTIVITIES-(A)	96,805,782	(108,420)
B		
CASH FLOW ARISING FROM INVESTING ACTIVITIES	(6,569,913)	(1,306,576)
a. Purchase of Fixed Assets	-	-
(Net of Adjustment for Capital work-in-progress)		
b. Investment in subsidiary		
CASH FLOW FROM FINANCING ACTIVITIES (B)	(6,569,913)	(1,306,576)
C		
CASH FLOW FROM FINANCING ACTIVITIES		
a. Secured Borrowings -Net of Repayment	(38789948)	53,868,485
b. Unsecured Borrowings - Net of Repayment	(4,465,361)	(1,327,255)
CASH FLOW ARISING FROM INVESTING ACTIVITIES -(B)		
d. Dividend Paid	-	-
c. Interest Paid	(48,842,720)	(35,734,408)
CASH FLOW FROM FINANCING ACTIVITIES (C)	(53,237,929)	16,806,822
NET CHANGE IN CASH / CASH EQUIVALENTS (A+B+C)	(2,062,178)	6,101,501
ADD: CASH /CASH EQUIVALENTS AT BEGINNING	10,384,850	4,283,349
CASH/CASH EQUIVALENTS AT END OF THE YEAR	8,322,672	10,384,850

Note

1. Non cash financial and investing activities have been excluded.
2. The cash flow statement has been prepared under the "Indirect method" as set out in the Accounting Standard 3 "Cash Flow statement" issued under companies (Accounting Standard) Rules 2008.
3. Previous years figures have been regrouped and re-arranged wherever Necessary

As per our Report of even date	For and on Behalf of the Board of Directors
For V. SANKAR AIYAR & CO.	ARVIND R. DOSHI
Chartered Accountants	Director
Firm Regn. No. 109208W	
ARVIND MOHAN	PRIVAM S. JHAVERI
Partner Membership No. 124082	Director
	ABHISHEK A. JAVERI
	Director & CFO
	Smt. SEEMA A. JAVERI
	Director -Administration
	NITIN R. JANI
	Company Secretary

Place: Mumbai
 Dated: 28TH APRIL 2017



NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

NOTE 1

1. Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the Companies. Recognizing this purpose, the Company has disclosed only such policies and notes from the individual financial statements which fairly represent the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the management, could be better viewed when referred from the individual financial statements.
2. Basis of Preparation of Financial Statements :
 - i) The financial statement of the subsidiary used in the consolidation is drawn upto the same reporting date as that of the Parent Company, i.e. year ended 31st March 2017. The foreign subsidiaries follow January to December as their financial year. In the case of this foreign subsidiaries the Company has redrawn its financial statements for the year ended 31st March 2016.
 - ii) The financial statements have been prepared under the historical cost basis and as a going concern. The account of the Parent Company has been prepared in accordance with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, and that of the foreign subsidiary has been prepared in accordance with the local laws and the applicable accounting Standards/generally accepted accounting principles.
3. Principles of consolidation :-
 - a) The consolidated financial statements have been prepared in accordance with the accounting standards (AS)-21. (Accounting Standards) Rules, 2006, as notified by companies.
 - b) The consolidated financial statement relates to Sadhana Nitro Chem Limited (The Company) and its wholly owned foreign subsidiary Anuchem B.V.B.A., Belgium.
 - c) The consolidated financial statements have been prepared on the following basis.
 - i) The financial statement of the company and its subsidiary have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenditure after eliminating all material intergroup balances and intergroup transactions resulting in unrealized profit/losses.
 - ii) The foreign subsidiaries financial year is calendar year and the same is audited accordingly. However, for consolidation purpose the unaudited



financial statement of subsidiaries is compiled for the period same as that of the company for reporting.

- iii) Minority Interest on consolidation of Indian subsidiary has been recognized in the consolidated financial statement.
 - iv) The Income and Expenses transaction of the profit and loss account and assets and liabilities appearing in the balance sheet of the foreign subsidiaries, which are considered as Integral foreign operating are translated in Indian Rupees as per Accounting Standard. The effect of changes in foreign exchange rates.
 - v) The consolidated financial statement have been prepared using as far as possible uniform accounting policy and are presented to the extent possible in the same manner as the company's financial statement.
- Significant Accounting policies:
- a) The Accounts have been prepared on historical cost basis and as a going concern complying in all material aspects with applicable accounting principles in India, the Accounting Standard issued by Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013.

- b) The audited /unaudited financial statements of foreign subsidiaries have been prepared in accordance with the Generally Accepted Accounting principle of its company of incorporation or International financial reporting standards. The difference in accounting policies of the company and its subsidiaries are not material and they are no material transactions from January 1, 2017 to March 31, 2017 in respect of subsidiaries having financial year ended December 31, 2016.

- c) Sales:
Sales include exchange differences and are net of sales tax and returns.

- d) Other significant Accounting policies.

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.



NOTE 2

SHAREHOLDERS FUND

SHARE CAPITAL:

Authorised Capital:
9250000 (P.Y. 9250000) - Equity Shares of ₹ 10/- each
11750000 (P.Y. 11750000) 9% Cumulative Non Convertible
Preference Shares of ₹ 10/- each

Issued, Subscribed and Paid-up Capital:

9200830 (P.Y. 9200830) Equity Shares of ₹ 10/- each fully paid
9600000 (P.Y. 9600000) 9% Non Convertible Cumulative Redeemable Preference
Shares of ₹ 10/- Each Fully paid up Preference Shares)

	31-03-2017 Rs.	31-03-2016 Rs.
Equity Shares of ₹ 10/- each	92,500,000	92,500,000
9% Cumulative Non Convertible Preference Shares of ₹ 10/- each	117,500,000	117,500,000
TOTAL	210,000,000	210,000,000
	92,008,300	92,008,300
	96,000,000	96,000,000
TOTAL	188,008,300	188,008,300

	31-03-2017		31-03-2016	
	No Of Share	% of Holding	No Of Share	% of Holding
	5,980,811	64.78	5,980,811	64.78
	9,000,000	100	9,000,000	100

Share held by Holding Company
Mitsubishi Promoters Investment Co. Pvt. Ltd. -
Equity Shares
9% Cumulative Non Convertible Preference share of ₹ 10
Each Fully Paid

None of the Share Holders other than Holding Company holds more than 5% as on the reporting date and previous year.

Reconciliation of share outstanding as at the beginning and end of the reporting

	31-03-2017	31-03-2016
Equity Shares	Amount	Amount
Opening as on 01-04-2016	92,500,000	92,500,000
Issued during the year	9,000,000	9,000,000
Closing as on 31-03-2017	1,01,500,000	1,01,500,000

Right, preferences and restriction attached to each class of shares.

The company has only one class of equity shares having at par value of ₹ 10/- per Share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Director is subject to the approval of the share holders in the ensuing Annual general meeting. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to number of shares held by share holder.

The company has only one class of Preference shares having par value of ₹ 10/- per Share. The Preference shares are non-convertible in nature bearing fixed dividend rate of 9%. The non-convertible, cumulative, redeemable preference shares shall be redeemed at the option of the company any time after 3 (three) years but not later than 10 (Ten) years from the date of issue & as decided by the Board of Director in accordance with the term of the issue and in accordance with the provision of the Companies Act, 2013, or any re - enactment thereof.

**NOTE 3**

	31-03-2017	31-03-2018
	Ru.	Ru.
Reserves & Surplus :		
Capital Reserve	223,325	235,112
Capital Redemption Reserve	500,000	500,000
Securities Premium	5,496,740	5,496,740
General Reserve	133,329,906	133,329,906
Surplus (Deficit) in statement of profit & loss		
Opening Balance	(255,365,878)	(207,618,478)
Foreign Currency Monetary item translation difference Account	426,487	1,664,112
Profit/Loss for the Year	18,300,632	(49,411,512)
Closing Balance	(236,639,759)	(255,365,878)
TOTAL	(97,066,588)	(115,804,120)

NOTE 4**NON-CURRENT LIABILITIES:****Long Term Borrowings:**

1) Secured Term Loan From Bank:

2) Unsecured :		235,879
I) Deferred sales tax Loan (Refer note) 4 (1)	238,864	235,879
II) Inter Corporate Deposit (Refer note) 4(2)	106,613,333	-
TOTAL	106,852,297	235,879

NOTE 4 (1)

None of 20.89 Lacs under sales tax deferred scheme is interest free and is repayable in 15 installment from April -2012 to April - 2018

NOTE 4 (2)

a) Inter Corporate Deposit are repayable in quarterly after April -2018 and carrying interest Rate of 15 to 16%

NOTE 5**Deferred tax Liabilities (Net)**

Depreciation and Amortisation	22,211,018	22,211,018
Unabsorbed Depreciation under Income Tax	(14,961,610)	(14,961,610)
Expenditure allowed under (IT Act: Payment basis)	(7,249,408)	(7,249,408)
TOTAL	-	-

Deferred tax assets an unabsorbed depreciation has been recognized to the extent of deferred tax liabilities

NOTE 6**Long Term Provisions:**

Provision for employee Benefits -(Leave Encashment & Gratuity) (Refer Note 22)	20,113,965	17,121,197
TOTAL	20,113,965	17,121,197

NOTE 7**Short-term borrowings:****Secured:****Working Capital Loan From bank**

[The facilities are secured by way of first pari passu charge on Current Assets, second pari passu charge on Company's entire fixed assets and further secured by personal guarantee of Chairman & Managing Director.]

	195,684,149	195,684,097
Unsecured:		
Inter Corporate Deposit	16,620,000	141,922,476
Others	173,514,149	337,606,573
TOTAL	173,514,149	337,606,573

**NOTE 8****Trade payables:**

	31-03-2017	31-03-2018
	Ru.	Ru.
Due to micro small and medium enterprises	-	-
Others	255,176,384	204,203,557
TOTAL	255,176,384	204,203,557

(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to Any supplier as at the end of accounting year,

(b) the amount of interest paid by the buyer under' MSMED Act,2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

(c) the amount of interest due and payable for the period (Where the principal has been paid but interest under the MSMED Act 2006-Not paid

(d) The amount of interest accrued and remaining unpaid at the end of accounting year; and

(e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23.

NOTE 9**Other current liabilities:**

Current maturities of long term debts-Secured & Unsecured	414,976	1,570,796
Loan Refer Note No 4(1),4(2)	11,899,451	-
Interest Accrued & Due. Refer Note 4(2)	13,590	21,000
Redeemed Preference share & Excess right issue (Unclaimed)	45,547	45,547
Undeclared Bonus & salary	26,269,918	20,591,877
Statutory Dues	17,939,777	16,474,555
Employee Dues	23,077,037	-
Advance From Customer	-	730,809
Bank Overdraft	5,730,248	5,320,632
Others outstanding Expenses	85,369,454	44,785,216
TOTAL	157,000,000	157,000,000

NOTE 10**Short-term provisions:**

Provision of Dividend payable
Provision for employee Benefits -(Leave/Gratuity) (Refer Note 22)

	129,844	141,431
TOTAL	8,127,412	8,339,617

NOTE 11**FIXED ASSETS**

	Green Block	Depreciation	Net Book
	Total as at 31.03.2017	Total upto 31.03.2017	As on 31.03.2017
	Ru.	Ru.	Ru.
Particulars			
Tangible Assets			
Land : Leasehold	76,400	34,983	41,417
Freehold	76,684,973	-	76,684,973
Factory Buildings	100,835,529	90,293,000	20,642,527
New Factory buildings	4,300,000	782,051	3,517,949
Plant & Equipments including other equipments	792,110,141	913,344,657	176,766,484
Furniture & Fixtures	17,002,891	6,986,391	429,379
Computer	11,946,442	11,613,679	334,772
Vehicle	18,696,890	17,696,879	1,000,011
GRAND TOTAL	1,011,783,477	750,322,604	261,460,853
PREVIOUS YEAR TOTAL	1,085,193,583	771,051,773	314,041,790



NOTE 12		
LONG TERM LOANS AND ADVANCES:		
(Unsecured Considered Good)		
Capital advance	Rs.	31-03-2017
Other Loan & advances	5,726,831	1,039,735
Security Deposits	6,116,539	6,112,539
Loan to Staff	488,636	310,850
Advance Income tax (Net of Provision)	5,419,246	5,406,007
TOTAL	17,730,262	12,868,931
NOTE 13		
Inventory: (Valued at Lower Cost & Net Realizable Value)		
Raw Material (Include stock in transit ? (502504) (P>Y Nil)		
Work in Progress	12,280,778	10,490,393
Finished goods	67,864,576	39,484,165
Stores & Spares	45,065,909	8,157,198
Others (Fuel, Packing material)	33,586,295	30,818,186
	3,383,025	2,091,667
TOTAL	162,200,583	91,041,608
NOTE 14		
Trade Receivable:		
(Unsecured Considered Good)		
Overdue More than Six Months	4,368,139	5,505,469
Other	98,759,300	123,098,208
TOTAL	103,127,439	128,603,677
NOTE 15		
Cash and Bank Balance		
Cash and cash equivalent:		
Balance with banks	1,571,911	3,005,352
Cash in hand	708,630	437,273
*Other Bank Balance		
*Margin money(Lien with Banks) with original Maturity < 12 Months		
TOTAL	6,042,131	6,942,225
	8,322,672	10,394,850
NOTE No 15 (1)		
As notified by Ministry of Corporate Affairs (MCA) vide its notification no.G.S.R. 308(E), the details of Specified Bank Notes		
	SBINs	Other
Closing cash in hand as on 08.11.2016	1,27,744	7,93,244
(*) Permitted receipts	6,65,500	5,05,000
(*) Permitted payments	-	4,54,777
(*) Amount deposited in Banks	6,65,500	6,65,500
Closing cash in hand as on 30.12.2016	-	1,77,967
NOTE 16		
Short term Loans & Advances:		
(Unsecured Considered Good)		
Loan to Staff	125,000	224,346
Advance to Vendors	5,635,308	2,709,733
Interest Accrued on Deposit	122,381	433,134
Balance With Statutory /Revenue Authorities	59,042,953	47,423,866
Other *	14,827,453	7,195,053
TOTAL	79,453,095	57,986,132
(*Includes Employee Loan, Other Current Assets)		
NOTE 17		
Other Current Assets		
Prepaid Expenses	954,485	636,886
TOTAL	954,485	636,886



NOTE 18 REVENUE FROM OPERATION: Sales of product Less: Excise duty Other operative revenue: Export Benefit Other (Waste Material) Detail of Sales Sales Of organic Intermediates Sales Of Chemical Intermediates Earning in Foreign Currency (FOB)	31-03-2017	31-03-2016
	Rs.	Rs.
	553,285,741	952,528,815
	17,238,872	10,493,518
TOTAL	536,046,869	952,335,297
	14,602,040	5,151,527
	901,469	608,040
	15,503,509	5,759,567
TOTAL	551,552,378	358,094,854
	15,571,845	139,685,786
	821,378,493	213,257,561
	402,726,928	224,795,047
NOTE 19 OTHER INCOME : Interest Income TDS 12239 (P.Y 21702) Net Gaiilon foreign exchange transaction Balances Written back Other Miscellaneous income	31-03-2017	31-03-2016
	Rs.	Rs.
	542,222	576,666
	1,169,271	1,008,525
	3,092,176	655,367
	109,862	2,240,548
TOTAL	4,913,531	
NOTE 20 EXPENSES: Cost of Material Consumed Inventory at the beginning of the Period Add: purchase Inventory at the end of the Period Value of Raw Material consumed Value of Raw Material Consumed	31-03-2017	31-03-2016
	Rs.	Rs.
	11,248,181	14,407,452
	337,077,053	187,050,546
	13,123,210	11,248,181
	335,202,024	190,209,817
	17,825,764	48,334,888
	317,376,260	185,574,929
NOTE 21 Change in inventory of Finished goods ,Work in progress and Stock in Trade Opening Finished Goods Less: Closing finished good Opening work in progress Less: Closing work in progress Other Opening Stock Less: Scrap Closing Stock Scrap Opening Stock Less: Other Closing Stock	31-03-2017	31-03-2016
	Rs.	Rs.
	18,868,327	24,388,985
	59,473,954	18,866,327
SUB-TOTAL	(40,607,627)	5,520,658
	39,484,165	32,264,448
	67,864,576	39,484,165
SUB-TOTAL	(28,400,411)	(7,219,717)
	75,000	50,000
	100,000	75,000
SUB-TOTAL	(25,000)	(25,000)
	175,000	150,000
	200,000	175,000
SUB-TOTAL	(25,000)	(25,000)
TOTAL	(89,059,036)	(1,749,076)



NOTE 22

Employee Benefit Expenses:

	31-03-2017	31-03-2016
Employee Benefit	Rs.	Rs.
Managerial Remuneration	63,443,141	44,485,003
Contribution to PF and other funds	7,713,443	6,669,494
Gratuity Expenses	3,066,171	2,660,923
Staff welfare	3,126,351	1,636,547
	1,459,845	1,240,889
TOTAL	78,939,951	101,297,859

NOTE 23

Financial Cost:

Interest Expenses	26876701
Other borrowing cost	21907361
Net Gain/Loss foreign currency transaction & translation	59658
	20,095
TOTAL	48,842,720

NOTE 24

Other Expenses

83,495,903

NOTE 25

Earning per share of Nominal value of ? 10-each computed in according with Accounting Standard (As-20) for the year

a) profit/(loss) after tax as per P&L Account	18,300,832	(49411512)
b) Opening number of equity shares outstanding	9,200,830	9,200,830
c) Closing number of equity shares outstanding	9,200,830	9,200,830
d) Basic/ Diluted earning per share [(a)/(c)] (? 10/- per share)	1.99	(5.37)

NOTE 26

Estimated Liabilities not provide for

- (a) Estimated amount of contract remaining to be executed (net of payment)
 (b) In respect of Guarantee given by the company's Banker for central excise and
 (c) In respect of corporate guarantee given by the company to the bank for loans borrowed by Indian subsidiary
 (d) Preference S Dividend on 9 % cumulative preference share Op Share ? 17500000 @ ? 10 per Share & New Allotment of ? 78500000 @9% Of ? 10each

19,879,841

NOTE 27

CONSOLIDATED SEGMENT REPORTING

i) Information about Primary segment-geographical

	Export Segment	Local Segment	Total
Segment Revenue			
External turnover	383,892,739	143,057,599	536,950,338
Export incentive	14,802,040	-	14,802,040
Profit on Sale of Assets/Disposal of Investments	408,494,779	143,057,599	551,552,378
	64,791,973	16,658,699	81,450,672

Segment Result			
Profit on Sale of Assets/Disposal of Investments			
Operating Profit			
Interest			
Depreciation			
Profit/(Loss) before Taxation			
Current Tax			



NOTE 28

Related Party Discourse

	Nature Of Transaction	Holding Company	Subsidiaries	Associates	Key Management Personnel
a) Sales of Goods	-	-	91,927,225	-	-
b) Receiving Services	-	-	(76,252,149)	-	-
c) Managerial Remuneration	-	-	-	-	-
d) Director Sitting Fees	-	-	-	-	-
e) Loan Repayment	-	28,913,313	-	-	-
f) Loan Received	-	(8,452,313)	-	-	-
g) Guarantees Commission	-	28,912,313	-	-	-
	-	(9,201,000)	-	-	-
Outstanding Balance as on 31st March, 2017	-	-	-	-	-
i) List of related parties	-	-	31,391,521	-	-

M/s Manekchand Panachand Trading Investment Co.Pvt.Ltd.

M/s Anuchem B.V.B.A Belgium

Chairman & Managing Director

Smt. Seema A. Javeri wife of Shri A.D. Javeri

Smt. Molina D. Javeri mother of Shri A.D. Javeri

Mr. Abhishek A. Javeri son of Shri A.D. Javeri

Director & Chief Finance Officer

Company Secretary

III) Discourse in respect of material related party transaction during the year

- (1) Sale of Good to Anuchem BVBA, Belgium Rs. 9,29,27,225 (P.Y Rs. 7,62,52,149)
 (2) Loan Acquired from manekchand panachand trading & investment Co Pvt ltd. (Holding company) ? 2,59,12,313 (P.Y 9291000) (3) loan Repayment from manekchand panachand trading & investment Co.Pvt ltd. (Holding company) ? 2,69,12,313 (P.Y 86,52,313)

NOTE 29

Previous year's figures have been regrouped and re-classified wherever



NOTE 30

(A) VALUE OF IMPORT CALCULATED CIF BASIS

	31-03-2017 Rs.	31-03-2016 Rs.
Raw Material	17,247,249	5,729,725
Value of store Consumed	17,247,249	5,729,725
Import	0%	0%
Indigenous	100%	100%

(B) EXPENDITURE IN FOREIGN CURRENCY:

(To the extent paid)		
Travelling Expenses	488,361	1,153,363
Commission	101,055	15,451
Interest and other charges on FC loan from banks	184,732	15,451
TOTAL	774,148	11,68,814

As per our Report of even date

For V. SANKAR AIYAR & CO.
Chartered Accountants
Firm Regn. No. 109208W

ARVIND MOHAN
Partner Membership No. 124082

Place : Mumbai
Dated : 26TH APRIL 2017

For and on Behalf of the Board of Directors

ASIT D.JAVERI
Chairman &
Managing Director

ARVIND R. DOSHI
Director

ABHISHEK A. JAVERI
Director & CFO

PRIVAM S. JHAVERI
Director

Smt. SEEMA A. JAVERI
Director -Administration

DHIRENDRA M. SHAH
Director

NITIN R. JANI
Company Secretary

PRADEEP N. DESAI
Director

Place : Mumbai
Dated : 26TH APRIL 2017



SADHANA NITRO CHEM LIMITED

CIN : L24110MH1973PLC016698

Hira Baug, 1st Floor, Kasturba Chowk, (C. P. Tank), Mumbai 400 004

Tel.022-23865629 Fax 022-23887235 E-mail: sadhananitro@sncl.com Website: www.sncl.com

PROXY FORM

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

Name of the member(s)	
Registered address:	
No. of Shares held:	
Folio No./DP Id & Client Id :	
Joint Holders(s)	
E-mail Id:	

I/We, being the member (s) of _____ shares of Sadhana Nitro Chem Limited, hereby appoint :

1. Name: Address :

E-mail Id: Signature : or falling him/her

2. Name: Address :

E-mail Id: Signature : or falling him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf all the 44th ANNUAL GENERAL MEETING of the Company on Wednesday , 2nd August 2017 at 3.00 p.m. at seth Hirachand Gumanji Trust Hall, Hira Baug, 1st Floor, Kasturba Chowk (C. P.Tank), Mumbai - 400 004

Item No.	Resolution	No. of Shares	(For)	(Against)
			I/We Assent to the Resoution	I/We dissent to the Resoution
1.	Ordinary Business Adoption of audited Standalone & Consolidated Balance Sheet, Profit & Loss Account and Cash Flow Statement as at 31st March 2017 and reports of Board of Directors and auditors thereon.			
2.	To appoint a Director in place of Smt. Seema A Javeri (DIN No. 01768936) who retires by rotation and being eligible offers herself for re-appointment			
3.	To Appoint M/s. Chandrashekhar Iyer & Co. Chartered Accountant (Firm No. 114260W) Appointment of statutory Auditors for the Financial Year 2017-2018 and fixing remuneration thereof.			

Signed this _____ day of _____ 2017

Signature of Shareholder

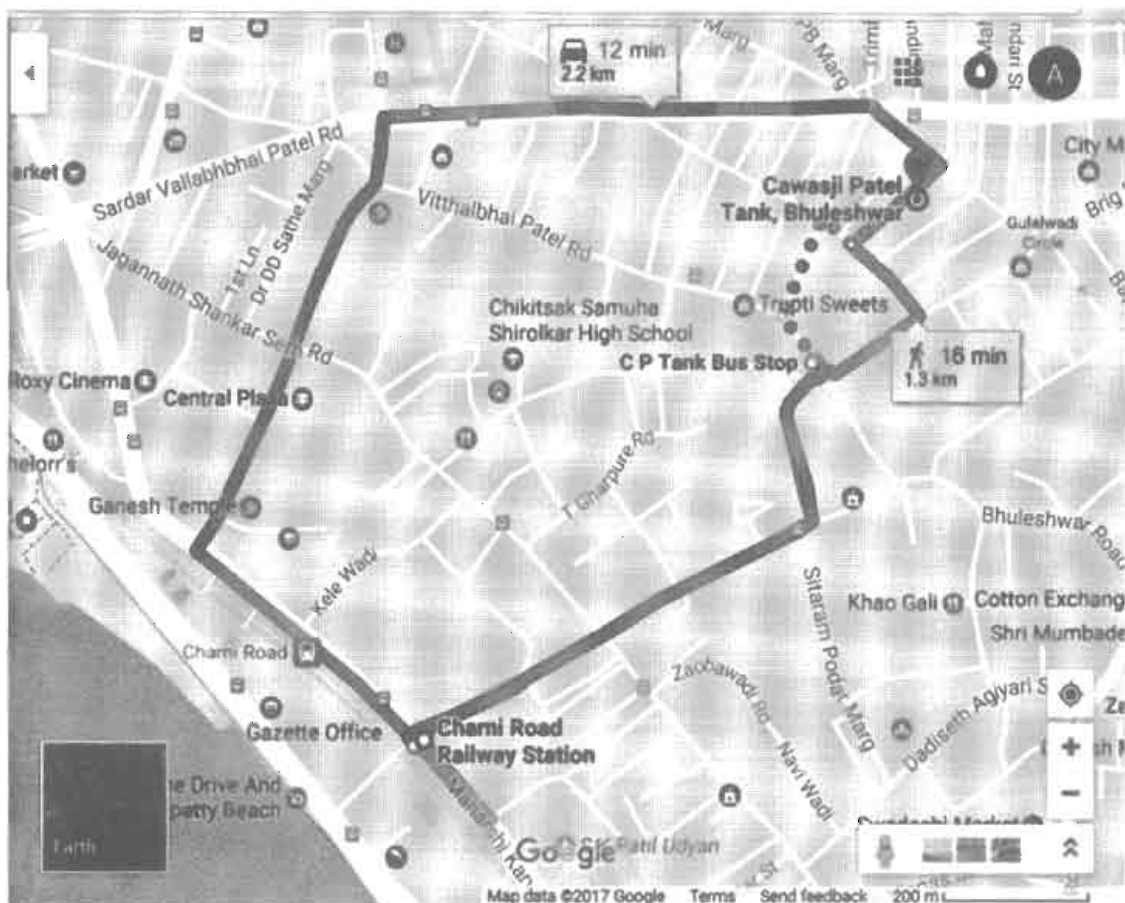
Signature of Proxy holder(s)

Please
Affix
Rs. 1/-
Revenue
Stamp

Notes:

1. A member entitled to attend and vote and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. The proxy in order to be effective must be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall act as a proxy for any other person or share holder

Land Mark : C. P. Tank, Circle, Bhuleshwar
Route Map





if undelivered please return to :
Sadhana Nitro Chem Limited
Hira Baug, 1st Floor,
Kasturba Chowk, (C P Tank),
Mumbai - 400 004. INDIA