



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

Date: September 4, 2021

To,

BSE Limited

New Trading Ring, Rotunda Building, 1st Floor
P.J. Towers, Dalal Street, Fort,
Mumbai — 400001

Scrip Code: 506642

Dear Sir/Madam,

Sub: Submission of Annual Report of the company for the Financial Year 2020-21.

Dear Sir/Ma'am,

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice convening the 48th AGM for the financial year 2020-21.

In compliance with relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Notice convening the 48th AGM and the Annual Report of the Company for the financial year 2020-21 has been sent to all the members of the Company whose e-mail addresses are registered with the Company or Depository Participant(s).

The 48th AGM will be held on Tuesday, September 28, 2021 at 3.00 p.m. IST through video conference and other audio-visual means (VC).

FOR SADHANA NITROCHEM LIMITED

NITIN

RAMESHCHA

NDRA JANI

Digitally signed by NITIN RAMESHCHANDRA
JANI
DN: c=IN, o=Personal, postalCode=400104,
st=Maharashtra,
2.5.4.20=845c573bc16165491baa66c1f4a,
9d7bc9a20f14a9710278e4d63552c1a,
serialNumber=003c4275a329278957f0b72
280c2f2c49a292317ad27b15020444760b5d
c700, cn=NITIN RAMESHCHANDRA JANI
Date: 2021.09.04 12:36:43 +05'30'

Nitin Rameshchandra Jani

Company Secretary & Compliance Officer

Membership No.: A4757

Address: - Plot No. 177, Room No.16,
Jawahar Nagar Road No.2,
Goregaon (West) Mumbai – 40006

Encl: Annual Report

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

Factory : 47, MIDC, Roha - 402 116, Dist. Raigad, Maharashtra. Tel.: Dhatav-02194-236801/02/03, 263525



Sadhana Nitro Chem Limited

48th Annual Report 2020 - 2021



SR.NO	CONTENTS	PAGE NO.
1	CORPORATE DETAILS	2
2	NOTICE TO THE MEMBER	3-23
3	BOARD REPORT WITH ANNEXURE AND MANAGEMENT DISCUSSION & ANALYSIS	24-39
4	CORPORATE GOVERNANCE REPORT	40-74
5	FIVE YEARS HIGHLIGHTS	75
6	STANDALONE FINANCIAL STATEMENT	
	Independent Auditor's Report	76-82
	Balance Sheet	83-84
	Statement of Profit & Loss	85
	Cash Flow Statement	86-87
	Notes forming part of the Standalone Financial Statements	88-121
7	CONSOLIDATED FINANCIAL STATEMENT	
	Independent Auditor's Report	122-127
	Balance Sheet	128
	Statement of Profit & Loss	129
	Cash Flow Statement	130-131
	Notes forming part of the Consolidated Financial Statements	132-167
8	ANNUAL REPORT OF THE SUBSIDIARY COMPANIES - 1. SPIDIGO NET PVT LTD.	168-184
	2. ANUCHEM B.V.	185-191

**CORPORATE DETAILS****BOARD OF DIRECTORS**

Shri. Asit D. Javeri	Executive Chairman
Shri. Arvind R. Doshi	Independent Director (Resigned w.e.f. 02nd June, 2021)
Shri. Priyam S. Jhaveri	Independent Director
Shri. Pradeep N. Desai	Independent Director
Shri. Abhishek A. Javeri	Managing Director & CFO
Smt. Seema A. Javeri	Executive Director-Administration
Shri. Amit M. Mehta	Independent Director
Smt. Ayesha S. Patel	Additional Independent Director (Appointment w.e.f. 07th Dec, 2020)

KEY MANAGERIAL PERSONNEL **Shri. Nitin R. Jani** Company Secretary

BANKERS

CITI BANK, Mumbai
HDFC BANK LTD., Mumbai
STATE BANK OF INDIA, Mumbai & Roha

AUDITORS

Jayesh Dadia & Associates LLP
Chartered Accountants
422, Arun Chambers
Tardeo, Mumbai - 400034.

REGISTERED OFFICE

HIRA BAUG, 1st Floor,
Kasturba Chowk (C.P. Tank), Mumbai- 400 004.
Phone : 022-23865629 Fax : 022-23887235.
E-mail : sadhananitro@sncl.com
Website : www.sncl.com

CIN

L24110MH1973PLC016698

FACTORY

47, M.I.D.C. Industrial Area, Roha,
Dist. Raigad, Maharashtra- 402 116.

**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



NOTICE TO THE MEMBERS

NOTICE IS HEREBY GIVEN THAT THE (48TH) FORTY EIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF SADHANA NITRO CHEM LIMITED ("THE COMPANY") WILL BE HELD ON TUESDAY, 28TH SEPTEMBER, 2021 AT 3.00 PM (IST) THROUGH VIDEO CONFERENCING/OTHER AUDIO VISUAL MEANS ("VC/OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. Adoption of Financial Statements

To consider and adopt the Audited financial Statements (including Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2021 and the Reports of the Board of Directors and the Auditors thereon.

2. Appointment of Mr. Abhishek A. Javeri (DIN:00273030) as a Director who is liable to retire by rotation and being eligible, offers himself for re-appointment.

Explanation: Based on the terms of appointment, office of Executive Directors are subject to retirement by rotation. Mr. Abhishek Javeri, who was appointed on 01st May, 2021, whose office is liable to retire at the ensuing AGM, being eligible, seeks re-appointment. Based on performance evaluation and the recommendation of the nomination and remuneration committee, the Board recommends his re-appointment.

Therefore, members are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (hereinafter read as "the Act"), Mr. Abhishek Javeri (DIN: 00273030), who retires by rotation, be and is hereby re-appointed as a Director liable to retire by rotation."

SPECIAL BUSINESS:

3. Ratification of remuneration of Cost Auditors.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Act, as read with Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the payment of the remuneration of Rs.1,00,000/- (Rupees One lakh only) plus reimbursement of out of pocket expenses at actuals plus applicable taxes and out of pocket expenses payable to M/s Vinay Mulay & Co., Cost Accountants (Reg No: M/8791), who were appointed as "Cost Auditors" by Board of Directors of the Company on the recommendation of Audit Committee to conduct the audit of Cost Records maintained by the Company for Financial Year ending 31st March, 2022, be and is hereby ratified and approved."

"RESOLVED FURTHER THAT Mr. Asit D. Javeri, Executive Chairman and/or Mr. Abhishek Javeri, Managing Director & CFO and/or Mr. Nitin Jani, Company Secretary be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. Regularisation of Additional Director, Mrs. Ayesha Sunil Patel (having DIN: 02074115) by appointing her as an Independent Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act read with Schedule IV (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, and any other applicable provisions of Securities Exchange Board of India (SEBI) Listing Obligation and Disclosure Requirement (LODR) Regulations, 2015 Mrs. Ayesha Sunil Patel (DIN: 02074115) who was appointed as an additional Independent Director of the Company w.e.f 7th December, 2020 pursuant to provisions of Section 161 of the Act, be and is hereby appointed as an Independent Director to hold office for a term of five consecutive years commencing from 07th December, 2020.



"RESOLVED FURTHER THAT Mr. Asit. D. Javeri, Executive Chairman and/or Mr. Abhishek Javeri, Managing Director & CFO and/or Mr. Nitin Jani, Company Secretary to sign and submit all relevant e-forms, documents, in respect of aforesaid appointment with the Registrar of Companies and to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto"

5. To re-appoint Shri Asit D. Javeri (DIN: 00268114) as an Executive Chairman of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification and re-enactment thereof for the time being in force) and subject to further approval of the Central Government if required, the consent of the members be and is hereby accorded to reappoint Shri Asit D. Javeri (DIN: 00268114) as an Executive Chairman of the Company for a period of 3 (Three) Years w.e.f 1st May, 2021 on remuneration of up to 5% of the net profit of the company for the financial year computed in a manner laid down in Section 198, subject to a minimum of Rs. 1,68,00,000/- p.a. and on such terms and conditions as may be agreed to between the Board of Directors and Shri Asit D. Javeri with liberty and authority to the Board of Directors to alter and vary the terms and conditions of the said appointment from time to time within the scope of the the Act, or any amendments thereto or any re-enactment thereof."

"RESOLVED FURTHER THAT Mr. Asit. D. Javeri, Executive Chairman and/or Mr. Abhishek Javeri, Managing Director & CFO and/or Mr. Nitin Jani, Company Secretary be and are hereby severally authorised to sign and submit all relevant e-forms, documents, in respect of aforesaid appointment with the Registrar of Companies and to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto"

6. To re-appoint Shri Abhishek A. Javeri (DIN: 00273030) as the Managing Director and Chief Financial Officer of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification and re-enactment thereof for the time being in force) and subject to further approval of the Central Government if required, the consent of the members be and is hereby accorded to reappoint Shri Abhishek A. Javeri (DIN: 00273030) as the Managing Director and Chief Financial Officer of the Company for a period of 3 (Three) Years w.e.f 1st May, 2021 on remuneration of up to 5% of the net profit of the company for the financial year computed in a manner laid down in Section 198, subject to a minimum of Rs. 1,68,00,000/- p.a. and on such terms and conditions as may be agreed to between the Board of Directors and Shri Abhishek A. Javeri with liberty and authority to the Board of Directors to alter and vary the terms and conditions of the said appointment from time to time within the scope of the Act or any amendments thereto or any re-enactment thereof."

"RESOLVED FURTHER THAT Mr. Asit. D. Javeri, Executive Chairman and/or Mr. Abhishek Javeri, Managing Director & CFO and/or Mr. Nitin Jani, Company Secretary be and are hereby severally authorised to sign and submit all relevant e-forms, documents in respect of aforesaid appointment with the Registrar of Companies and to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto"

7. To re - appoint Mrs. Seema Asit Javeri (DIN: 01768936) as an Executive Director (Administration) of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification and re-enactment thereof for the time being in force) and subject to further approval of the Central Government if required, the consent of the members be and is hereby accorded to reappoint Mrs. Seema Asit Javeri (DIN: 01768936) as an Executive Director (Administration) of the Company for a period of



3 (Three) Years w.e.f 1st May, 2021 on remuneration of up to 5% of the net profit of the company for the financial year computed in a manner laid down in Section 198, subject to a minimum of Rs. 1,68,00,000/- p.a. and on such terms and conditions as may be agreed to between the Board of Directors and Mrs. Seema Asit Javeri with liberty and authority to the Board of Directors to alter and vary the terms and conditions of the said appointment from time to time within the scope of the Act or any amendments thereto or any re-enactment thereof."

"RESOLVED FURTHER THAT Mr. Asit. D. Javeri, Executive Chairman and/or Mr. Abhishek Javeri, Managing Director & CFO and/or Mr. Nitin Jani, Company Secretary be and are hereby severally authorized to sign and submit all relevant e-forms, documents, in respect of aforesaid appointment with the Registrar of Companies and to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

8. To enhance the limit to create charge/mortgage/hypothecation on the Company's assets under section 180(1)(a) of the Act

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

"RESOLVED THAT pursuant to Section 180 (1)(a) and other applicable provisions, if any, of the Act, consent of the members and is hereby accorded to the Board of Directors to mortgage, create security or otherwise dispose of the assets of the Company in such form and manner and with such ranking and at such time and on such terms as the Board may determine, upon all or any of the present or future movable and /or immovable properties of the Company including whole or substantially the whole of the undertaking of the Company in certain events of default in favour of the Trustee /Trustees /Lenders for securing the security /securities /financial instruments that may be issued by the Company and any form of debt upto Rs.250 crores (Two Hundred and fifty Crores) over and above networth of the Company together with the interest, premium, cost, charge expenses and all other monies payable in connection therewith in terms of trust deed / others documents to be finalised and executed between the company and trustee / Trustees /Lenders and containing such specific terms and conditions and covenants in respect of enforcement of security / securities / financial instruments as may be stipulated in that behalf and agreed to between the Board of Directors or committee thereof and the Trustee / Trustees / Lenders."

"RESOLVED FURTHER THAT Mr. Asit.D.Javeri,Executive Chairman and/or Mr.Abhishek Javeri , Managing Director & CFO and/or Mr. Nitin Jani, Company Secretary be and are hereby severally authorized to sign and submit all relevant e-forms, documents with the Registrar of Companies and to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

9. To enhance the existing borrowing limits of the Company under section 180(1)(C) of Act

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

"RESOLVED THAT pursuant to the provisions of Section 180(1) (C) and other applicable provisions, if any, of the Act, the Company authorizes the Board of Directors to borrow from time to time on behalf of the Company, any sum or sums of money on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the money already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of aggregate of the paid-up share capital of the Company and free reserves and securities premium account provided that the total amount of money/monies so borrowed by the Board shall not at any time exceed the limit of Rs. 250 crores (Rupees Two Hundred and fifty crores only) over and above the aggregate of paid-up share capital of the Company , free reserves and securities premium Account"

"RESOLVED FURTHER THAT Mr. Asit. D. Javeri, Executive Chairman and/or Mr. Abhishek Javeri, Managing Director & CFO and/or Mr. Nitin Jani, Company Secretary be and are hereby authorized to negotiate and settle the terms and conditions with the concerned Banks/Financial Institutions etc finalize the agreements/contracts and documents for creating the aforesaid mortgages and/ or charges and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Finance and Admin Committee or any other committee as it may consider appropriate in order to give effect to this Resolution and to do and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution and to file the necessary e-form with the Registrar of Companies."



10. Increase in Authorised Share Capital of the Company and consequential amendment in Memorandum of Association :

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

"RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Act (including any amendment thereto or re-enactment thereof) and the Rules framed thereunder, consent of the members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs. 21,50,00,000 (Rupees Twenty One Crores and Fifty Lakhs) divided into 21,50,00,000 (Twenty One Crores and Fifty Lakhs) Equity Shares of Rs.1/- (Rupee One) each to Rs. 30,00,00,000 (Rupees Thirty Crores) divided into 30,00,00,000 (Thirty Crores) Equity Shares of Rs. 1/- (Rupee One) each."

"RESOLVED FURTHER THAT pursuant to the Section 13 and other applicable provisions, if any, of the Act, consent of the members of the Company be and is hereby accorded for alteration of Clause V of the Memorandum of Association of the Company by substituting the existing Clause V thereof by the following new Clause V as under:"

V. The authorized Share Capital of the Company is Rs. 30,00,00,000 (Rupees Thirty Crores) consisting of 30,00,00,000 (Thirty Crores) Equity Shares of Rs. 1/-(Rupee One) each

"RESOLVED FURTHER THAT Mr.Asit. D. Javeri, Executive Chairman and/or Mr.Abhishek Javeri, Managing Director & CFO and/or Mr. Nitin Jani, Company Secretary be and are hereby severally authorized to sign and submit all relevant e-forms, documents with the Registrar of Companies and to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

Registered Office:

Hira Baug, 1st Floor
Kasturba Chowk, (C.P. Tank),
Mumbai - 400004
CIN: L24110MH1973PLC016698
E-mail: sadhananitro@snci.com
Date: 10th August, 2021

By the order of Board of Directors

Nitin R. Jani
Company Secretary
Membership No: A4757



NOTES:

1. Pursuant to the General Circular numbers 20/2020, 14/2020, 17/2020 issued by the Ministry of Corporate Affairs (MCA) and Circular No. 02/2021 dated January 13, 2021 prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM along with Circular number SEBI/ HO/ CFD/ CMD1/ CIR/ P/ 2020/ 79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
2. The AGM shall be deemed to be held at the Registered Office of the Company at Hira Baug, 1st Floor, Kasturba Chowk (C. P. Tank), Mumbai, Maharashtra, 400004.
3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available.
4. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
5. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal/e-voting portal.
6. An Explanatory Statement pursuant to section 102 of the Companies Act, 2013 relating to the special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
7. NSDL will be providing facility for voting through remote e-Voting, for participation in the 48th AGM through VC/OAVM facility and e-Voting during the 48th AGM
8. Members may note that the VC/OAVM facility, allows participation of at least 1,000 Members on a first come-first-served basis
9. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990 or contact Mr. Amit Vishal, Senior Manager - NSDL at amitv@nsdl.co.in / 022-24994360 or Mr. Sagar Ghosalkar, Assistant Manager - NSDL at sagar.ghosalkar@nsdl.co.in / 022-24994553.
10. The Company has appointed 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. Information of RTA is as follows:

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
11. 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.
12. The Register of Members and the Share Transfer Book of the Company will remain closed from Monday, 20th September, 2021 to Tuesday, 28th September, 2021 (both days inclusive) for the purpose of Annual General Meeting.
13. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation



of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to sadhananitra@sncl.com

14. 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.
15. Members desiring any information are requested to write to the Company 10 days in advance
16. 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.
17. In compliance with the Circulars, the Annual Report 2020-21, the Notice of the 48th AGM, and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s). The Members who have not yet registered their e-mail addresses are requested to register the same with RTA/ Depositories.
18. 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.
19. 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-off date i.e. Tuesday, 21st September, 2021.
20. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.
21. The e-voting period commences on Saturday, 25th September, 2021 at 9:00 A.M and ends on Monday, 27th September, 2021 at 5:00 P.M. During this period, members holding share either in physical or dematerialized form, as on cut-off date, i.e. as on Date may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on Date.
22. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
23. 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 facilitated by NSDL.
24. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the National Securities Depository Limited (NSDL). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice. The Board has appointed Ms. Kumudini Bhalerao of MMJC & Co, Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
25. 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 for all those members who are participating in the AGM through Video Conferencing but have not cast their votes by availing the remote e-voting facility.
26. 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 favor 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.

27. The Result declared along with the report of the scrutinizer shall be placed on the website of the Company and on the website of NSDL the results shall simultaneously be communicated to the Stock Exchange (BSE), Mumbai.
28. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
29. **Electronic Dispatch of Annual Report and Process for Registration of e-mail Id for obtaining the Annual Report:**
Pursuant to Sections 101 and 138 of the Act read with the relevant Rules made thereunder and Regulation 36 of the SEBI Listing Regulations, companies can send Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses either with the Company or with the Depository Participant(s). In accordance with the Circulars issued by MCA and SEBI and owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith) due to COVID-19 pandemic situation such statements including the Notice of the 48th AGM are being sent through electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice of the Meeting and the Annual Report 2020-21 is available on the Company's website www.sncl.com, website of the Stock exchanges i.e. BSE, i.e. www.bseindia.com. The AGM Notice is also disseminated on the website of Agency i.e. at www.evoting.nsdl.com
30. **Instructions for Members for participating in the AGM through VC/OAVM**
 - I. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at www.evoting.nsdl.com under members login by using the remote e-voting credentials. The link for VC/OAVM will be available in Members login where the EVEN of Company will be displayed.
 - II. The Members can start joining in 30 (thirty) minutes before the scheduled time of AGM and it will be kept open for 15 (fifteen) minutes after the start of AGM.
 - III. The facility of participation at the AGM through VC/ OAVM will be made available to at least 1000 Members on first come first served basis.
 - IV. User Guidelines/Compatibility for viewing of AGM:
 - ✓ All you need is a computer with an Internet connection (high speed service such as DSL or cable works best) and speakers Compatible Browser list: Google Chrome 50 | Microsoft Edge | Internet Explorer 10 & above | Firefox | Safari | Opera
 - ✓ Video Buffering/Video Stuck but not audible: Check on the Internet Connection, Check whether you have sufficient bandwidth for viewing the Same, To check whether if you have sufficient bandwidth for viewing the same, click on the system check tab or visit speedtest.net Minimum Internet Speed should be 10 MBPS with the Upload and Download Ratio of 1:1.
 - ✓ Allow third party cookies.
 - ✓ You may also use a headset instead of speakers.
 - ✓ Please refresh your browser (for laptop / desktop kindly press CTRL+F5)
31. **Procedure to raise questions / seek clarifications with respect to Agenda of AGM:**
 - As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, Demat account number / folio number, email id, mobile number to sadhananitro@sncl.com Questions / queries received by the Company till 5:00 p.m. IST on Friday, 24th September 2021, shall only be considered and responded during the AGM.
 - Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending an email to sadhananitro@sncl.com any time before 5:00 p.m. IST on Friday, 24th September 2021, mentioning their name, Demat account number/ folio number, email id, mobile number. Those Members who



have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

- The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM, depending on availability of time.

Voting through electronic means

- I. In compliance with provisions of Section 108 of the Act 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, the facility to exercise their right to vote by electronic means on any or all of the businesses specified in the Notice, at the 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 shall be made available at the AGM and the members attending the meeting through VC who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- III. The remote e-voting period commences on Saturday, 25th September 2021 at 9:00 am and ends on Monday, 27th September 2021 at 5:00 P.M. During this period member's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 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.
- IV. General Instructions for accessing and participating in the AGM through VC/OAVM. Facility and voting through electronic means including remote e-voting:**
 1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
 2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for themembers is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
 3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
 6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.sncl.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.



7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

- The remote e-voting period begins on Saturday, 25th September, 2021 at , at 9:00A.M. and ends on Monday, 27th September, 2021 at 5:00P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, 21st September, 2021, may cast their vote electronically.
- The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, 21st September, 2021.

How do I vote electronically using NSDL e-Voting system ?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com/ Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.



2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical)	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email IDs are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.



7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and Annual General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the Annual General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Annual General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinisers@nmjc.in with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. 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 download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Megha Malviya at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to sadhananitro@sncl.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to sadhananitro@sncl.com If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.



4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (sadhananitro@sncl.com) The same will be replied by the company suitably.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE ACT

Item No. 3:

The Board, on the recommendation of the Audit Committee, has approved the appointment and payment of remuneration of Rs.1,00,000/- per annum (Rupees One Lakh only) plus applicable taxes and out of pocket expenses to M/s Vinay Mulay & Co., Cost Accountants (Reg No: M/8791) as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2022.



In accordance with provisions of Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 following are the brief details pertaining to proposed Cost Auditor, M/s. Vinay Muley & Co., of the Company:

Sr. No.	Particulars	Details
1.	Name of the firm	M/s. Vinay Muley & Co.
2.	Brief Profile or Credentials of the firm	Mr. Vinay Muley, CEO, Age 61 Years having Qualification of M.Com., FCMA, CMA (USA), PGDMS, CSCP, (APICA, USA) and having Experience of More than 41 Years in Cost Audit, Internal Audit, Forensic Audit, Inventory Management and Valuation, Project Management, Strategic Planning, Indirect taxation, Project Report for Financial Institutions and Banks in diverse Industries, working with MNCs etc.
3.	Terms and Conditions of Appointment	As per Appointment Letter
4.	Proposed Fees to be payable	1,00,000/- per annum
5.	Date of Registration	29 th August, 2011
6.	Address	17B Laxminagar Maratha CHS Ltd Near RTO, Opposite Teacher's Colony, Andheri Mumbai-400053
7.	PAN No.	AADPM3648M
8.	Registration No.	M/8791
9.	Contact details	Tel: 26324918 / Mobile : 9819864918
10.	Email Address	muleyvb@hotmail.com
11.	Whether any regulatory action has been faced	No

None of the Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution as set out at Item No. 3 of the Notice for approval by the shareholders.

**Item No.4**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company have appointed Mrs. Ayesha Sunil Patel (DIN: 02074115), as an Additional Director (Independent) of the Company in the Circular resolution passed on 7th December, 2020 to hold office upto the date of the ensuing AGM of the Company.

As an Additional Director, she holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has received a declaration from her confirming that she meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). She is also not disqualified from being appointed as a Director in terms of Section 164 of the Act. In the opinion of the Board, she fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Regulations and she is independent of the Management.

The Board of Directors recommend her appointment as an Independent Director over a period of 5 Years not liable to retire by rotation by passing an Ordinary Resolution.

Except Mrs. Ayesha Sunil Patel to the extent of her appointment as an Independent Director, None of the other Directors and KMPs or their relatives are interested or concerned, financially or otherwise, in the resolution set out at item no. 4

Item No. 5

Taking into consideration the contributions made towards the growth of the Company by Shri Asit D. Javeri and on the recommendation of Nomination and Remuneration Committee and Board in its meeting held on 20th April, 2021, it is proposed to reappoint him as an Executive Chairman of the Company w.e.f.1st May,2021 for a term of 3 years on remuneration of up to 5% of the net profit of the company for the financial year computed in a manner laid down in the provisions of Section 197 and 198 of the Act and rules made thereunder read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which includes perquisites and allowances like house rent allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, educational allowance, medical reimbursement, club fees and such other perquisites and allowances. The perquisites shall be evaluated at actual cost. Further, the remuneration of Rs. 1,68,00,000/- shall be minimum remuneration.

The Board of Directors recommend the reappointment of Mr. Asit D. Javeri as an Executive Chairman of the Company as above by passing Special Resolution.

Except Mrs. Seema A. Javeri, Executive Director (Administration) and Abhishek Asit Javeri, Managing Director and Chief Financial Officer, None of the other Directors and KMPs or their relatives are interested or concerned, financially or otherwise, in the resolution set out at item no. 5.

Item No. 6

Taking into consideration the contributions made towards the growth of the Company by Shri Abhishek A. Javeri and on the recommendation of Nomination and Remuneration Committee and Board in its meeting held on 20th April, 2021, it is proposed to reappoint him as the Managing Director and Chief Financial Officer of the Company w.e.f.1st May, 2021 for a term of 3 years on remuneration of up to 5% of the net profit of the company for the financial year computed in a manner laid down in the provisions of Section 197 and 198 of the Act and rules made thereunder read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which includes perquisites and allowances like house rent allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, educational allowance, medical reimbursement, club fees and such other perquisites and allowances. The perquisites shall be evaluated at actual cost. Further, the remuneration of Rs.1,68,00,000/-shall be minimum remuneration.

The Board of Directors recommend the reappointment of Mr. Abhishek A. Javeri as the Managing Director and Chief Financial Officer of the Company as above by passing Special Resolution.

Except Mrs. Seema A. Javeri, Executive Director (Administration) and Asit D. Javeri, Executive Chairman, None of the other Directors and KMPs or their relatives are interested or concerned, financially or otherwise, in the resolution set out at item no. 6.

Item No. 7

Taking into consideration the contributions made towards the growth of the Company by Mrs. Seema A. Javeri and on the recommendation of Nomination and Remuneration Committee and Board in its meeting held on 20th April, 2021, it is proposed to reappoint her as an Executive Director (Administration) of the Company w.e.f. 1st May,2021 for a term of 3 years on remuneration of up to 5% of the net profit of the company for the financial year computed in a manner laid down in the provisions of Section 197 and 198 of the Act and rules made thereunder read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which includes perquisites and allowances like



house rent allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, educational allowance, medical reimbursement, club fees and such other perquisites and allowances. The perquisites shall be evaluated at actual cost. Further, the remuneration of Rs.1,68,00,000/- shall be minimum remuneration.

The Board of Directors recommend the reappointment of Mrs. Seema A. Javeri as an Executive Director (Administration) of the Company by passing Special Resolution.

Except Mr. Abhishek A. Javeri, Managing Director and Chief Financial Officer of the Company and Asit D. Javeri, Executive Chairman, None of the other Directors and KMPs or their relatives are interested or concerned, financially or otherwise, in the resolution set out at item no. 7.

For Item No. 5, 6 and 7

- A. In the event of loss or inadequacy of profits during the aforesaid period, the maximum remuneration payable to (a) Shri Asit D. Javeri (b) Shri Abhishek A. Javeri and (c) Smt Seema A. Javeri as specified in Schedule V shall be payable to them as a minimum remuneration.
- B. The terms and conditions of the said reappointment and/or remuneration and/or agreement may be altered and varied from time to time by the Board as it may, in its, discretion, deem fit.
- C. In addition (a) Shri Asit D. Javeri (b) Shri Abhishek A. Javeri and (c) Smt Seema A. Javeri shall be eligible for following perquisite which shall not be included in computation of ceiling of remuneration payable under Schedule V.
 - Company's contribution to Provident Fund, Family Pension Fund and superannuation or annuity fund to the extent these either singly or together are not taxable under the Income Tax Act.
 - Gratuity payable not exceeding half a month's salary for each completed year of service and
 - Encashment of leave at the end of tenure.
 - Provision of Company's car for official duties with driver.
 - Free telecommunication facility at the residence.
- D. The agreement may be terminated by either party by giving the other party six months' notice or by any shorter notice as may be mutually agreed to between the parties.
- E. They shall not, so long as they function as such, become interested or otherwise concerned directly or through their spouse and/or minor children in any selling agency of the Company in future without prior approval of the Central Government.
- F. So long as they function as such shall not be paid any sitting fees for attending the meetings of the Board of Directors or committees thereof.
- G. In compliance with the provisions of Section 196 & 197 of the Act read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions, if any, of the Act the terms of remuneration specified above are now being placed before the members in the General Meeting for their approval.
- H. The proposed draft Agreement between (a) Shri Asit D. Javeri (b) Shri Abhishek A. Javeri and (c) Smt Seema A. Javeri and the Company is available for inspection by the members of the Company at its Registered Office of the Company during the office hours on all working days except Saturdays between 11:00 a.m. and 1:00 p.m. upto the date of the Annual General Meeting.
- I. Other particulars pertaining to the Company, which are required to be disclosed as per Section II of Part II of the Schedule V of the Act are given in Annexure A to this explanatory statement.

Item No 8

In order to make strategic investments and to accelerate the growth of the Company, it is required to borrow money from the lender, financial institutions etc. The Company is required to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business). It is therefore required to obtain members' approval by way of a Special Resolution under Section 180 (1)(a) of the Act for creation of charges/mortgages/hypothecations or to take over substantial assets of the Company in certain events for an amount upto Rs. 250 cores over and above networth of the Company.



Your Directors recommend this Resolution for your approval.

None of the Directors and KMPs or their relatives are interested or concerned, financially or otherwise, in the resolution set out at item no. 8.

Item No. 9

As per the provisions of Section 180(1)(c) of the Act, the Board of Directors of the Company cannot except with the consent of the members in the General Meeting by a Special Resolution, borrow monies apart from temporary loans (viz. means loans repayable on demand or within six months from the date of the loan such as short-term, cash credit arrangements, the discounting of bills and the issue of other short-term loans of a seasonal character, but does not include loans raised for the purpose of financial expenditure of a capital nature) obtained from the Company's bankers in the ordinary course of business, over and above the aggregate of the paid-up Capital, Free Reserves and securities premium Account of the Company.

Keeping in view of the Company's business requirements and its growth plans, it is considered appropriate to approve by way of Special Resolution to borrow upto Rs. 250 crores (Rupees Two Hundred and fifty Crores only) (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) over and above the aggregate of paid-up capital and free reserves and securities premium account of the Company, at any time as set out in the resolution.

The aforesaid borrowing limit is proposed to be approved to such an extent that the sum(s) so borrowed under this resolution and remaining outstanding at any time shall not exceed Rs. 250 crores (Rupees Two Hundred and fifty Crores only) over and above aggregate of paid-up capital and free reserves and securities premium Account of the Company for the time being. The members are requested to approve the same by way of passing the Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the said resolution.

Item No. 10

Presently, the Authorized Share Capital of your Company is Rs.21,50,00,000/- (Rupees Twenty One Crores and Fifty Lakhs) divided into 21,50,00,000 (Twenty One Crores and Fifty Lakhs) Equity Shares of Rs.1 (Rupee One Only).

Considering the increased fund requirements of the Company, the Board at its Meeting held on 10th August, 2021, had accorded its approval for increasing the Authorised Share Capital from Rs. 21,50,00,000 (Rupees Twenty One Crores and Fifty Lakhs) to Rs. 30,00,00,000 (Thirty Crores) subject to shareholders approval.

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Share Capital. The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association of the Company requires approval of members at a general meeting.

None of the Directors / key managerial persons of the Company or their relatives are interested, financially or otherwise, in the aforesaid resolution.

The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as an Ordinary Resolution.

Annexure A to the Explanatory Statement

Statement as required under Section II of Part II of Schedule V of the Act giving details in respect of remuneration of Mr. Asit Javeri as Executive Chairman, Abhishek Javeri as Managing Director and CFO & Seema Javeri as Executive Director (Administration)

GENERAL INFORMATION:

Nature of Industry: The Company is engaged in the Manufacturing of various chemical intermediates

Date or expected date of commencement of commercial production: The Company was incorporated on 21st July, 1973 and Certificate for Commencement of Business was issued on 10th September, 1973.

Financial performance based on given indicators: As per published audited financial results for the year ended 31st March, 2019, 31st March, 2020 and 31st March, 2021:

(Amount in "Rs.")

Particulars	For the year/Period ended		
	March, 2021	March, 2020	March, 2019
Total Income	94,29,12,707	122,66,57,983	268,40,27,884
Depreciation	5,75,00,689	5,25,53,265	28,476,762
Total Expenses	81,33,77,257	914,902,871	162,10,51,074
Net Profit	10,21,88,583	23,49,65,058	753,101,925
Paid up Capital	13,97,27,235	9,31,51,490	9,31,51,490
Reserves & Surplus	1,19,33,80,130	113,56,19,820	95,44,80,691

Foreign Investment or Collaborators: Foreign Investment in Foreign wholly owned Subsidiary Anuchem B.V.B.A. of Rs. 771549

I INFORMATION ABOUT THE DIRECTORS:

Particulars	Mr. Asit D. Javeri	Mr. Seema A. Javeri	Mr. Abhishek A. Javeri
Background Detail	Shri. Asit D. Javeri, aged 65 years and having Graduation in Science, joined the company in December, 1984 as a Director of the Company and in January, 1985 as Managing Director. Prior to joining the company, Shri. Asit D. Javeri had experience of 9 years of running chemical industry. He has been associated with the company for more than 36 years.	Smt. Seema A. Javeri, aged 62 years, and having Graduation in Science joined the Company on February 13, 2014 as Additional Director. Prior to joining the company, Smt. Seema A. Javeri had experience of 12 years in Administration.	Shri Abhishek A. Javeri, aged 38 years and having graduation in Economics From North Western University, USA joined the Company in 2007 and acted as a Non-Executive Director of the Company. He was further appointed as Executive Director and Chief Financial Officer on 10 th February, 2016. He has been associated with the company for more than 13 years.
Past Remuneration	2018-19 - Rs.4,48,54,154/- 2019-20 - Rs.1,68,00,000/- 2020-21 - Rs.1,68,000,000/-	2018-19 - Rs.2,84,76,727/- 2019-20 - Rs.1,68,00,000/- 2020-21 - Rs.1,68,00,000/-	2018-19 - Rs.4,47,77,654/- 2019-20 - Rs.1,68,00,000/- 2020-21 - Rs.1,68,000,000/-
Recognition or Rewards (Guarantee commission payable)	2018-19 - Nil 2019-20 - Rs.25,50,360/- 2020-21 - Nil	NIL	2018-19 - Nil 2019-20 - Rs.17,00,240/- 2020-21 - Nil
Job Profile and suitability	Over the years, Shri. Asit D. Javeri has been entrusted with the overall responsibility of the Company. He has immensely contributed in Strategic development of the Company specifically in attaining higher exports and commercialization of several high value added chemical intermediates. Shri Asit D. Javeri has taken several initiatives to restructure the business operations.	Smt. Seema A. Javeri, joined the Company in February, 2014 as an Additional Director. She is Science Graduate and having experience and knowledge in Administration.	Mr. Abhishek Javeri joined the company since 24 th January, 2007 as Executive Director & CFO with overall responsibility of finance control, efficient working capital & cash flow management.

Remuneration Proposed	The terms of remuneration proposed are detailed in the Resolution and the explanatory statement.	The terms of remuneration proposed are detailed in the Resolution and the explanatory statement.	The terms of remuneration proposed are detailed in the Resolution and the explanatory statement.
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel	Besides the remuneration proposed, Shri Asit D. Javeri do not have any other pecuniary relationship with the Company.	Besides the remuneration proposed, Smt. Seema A. Javeri do not have any other pecuniary relationship with the Company.	Besides the remuneration proposed, Shri Abhishek A. Javeri do not have any other pecuniary relationship with the Company.

ii. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Taking into consideration the size and nature of the Company, the profile of Shri. Asit D. Javeri, Smt. Seema A. Javeri and Shri. Abhishek A. Javeri the responsibilities shouldered by them and the industry benchmark, the aforesaid remuneration is commensurate with the remuneration package paid to similar senior level positions in other companies.

OTHER INFORMATION:

(1) Reasons of Loss or inadequate profits:

Due to change in market condition, fluctuation in foreign market, change in technology or other governmental regulations or increasing cost of raw material and the present market scenario due to COVID-19, the company may have inadequate profits to meet the proposed remuneration out of profits, some times.

(2) Steps taken or proposed to be taken for improvement:

The Company is in the process of increasing its production capacity to bring economies of scale to its business and is expected to boost its profitability.

(3) Expected increase in productivity and profits in measurable terms:

The business and consumer confidence are expected to improve in the coming financial year, geared with a streamlined organizational design, the company intends to grow its production capacity.

DISCLOSURES:

The details of the remuneration package of Shri. A. D. Javeri, Shri Abhishek A. Javeri and Smt. Seema Javeri are given in the explanatory statement hereinabove and the same is contained in the draft agreements with them which are open for inspection as mentioned hereinabove. The remuneration is variable as linked to the profits of the company except in case of inadequate profit when the remuneration will be paid as per the provisions of Section 197 and 198 read with schedule V of the Act. Other Directors are paid no remuneration except sitting fees for the meeting of the Board and Committees thereof.

Except in Financial Year 2017-18 allotment of 1,14,319 Equity Shares on Sweat basis to Shri Abhishek A. Javeri, no Stock options has been given to any of the above- mentioned Directors.

Brief Resume of Director's seeking appointment /re- appointment

Particulars of the Directors seeking appointment / re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and secretarial standards on General Meeting

Name	Mr. Asit D. Javeri	Mr. Abhishek A. Javeri	Mrs. Seema A. Javeri	Mrs. Ayesha Sunil Patel
DIN	00268114	00273030	01768936	02074115
Age/Date of Birth	25/06/1956	18/12/1984	05/10/1958	29/03/1959
PAN	AEDPJ1538B	ADDPJ5676M	ACXPJ8722F	AABPP5244N
Nationality	Indian	Indian	Indian	Indian
Date of First Appointment	01/09/2015	24/01/2007	13/02/2014	07/12/2020
Expertise in Specific Functional Areas	Operating, Managing, Strategic planning Marketing in the chemical Industry.	Sourcing, control, effective utilisation, negotiation and strategic planning finance.	Skill, experience and knowledge inter alia in the field of administration.	24 years of operations experience in the BPO and Engineering industry; Areas of operations: Finance; Legal and Compliance; Implementing MIS and Quality Systems (ISO; IATF; Lean); Business Development for Exports;
Qualifications	B.Sc. (Hon)	Graduate in Economics from North Western University USA.	B.Sc.	1. Graduation in B.Com, M.S.University, Baroda. Class of 1979 2. Professional Management Education Programme, IIM, Ahmedabad. Class of 1982 3. School Education SSC; Convent of Jesus & Mary, Baroda
Directorship held in other entities	5	4	3	1
Membership / Chairmanship of Committees	4- Membership 2- Chairmanship	0	1- Chairperson	0
Number of shares held in the Company	83,51,953	42,16,260	2,74,905	NIL
Disclosure of relationship	Mrs. Seema A. Javeri is Wife and Mr. Abhishek A. Javeri is Son.	Mr. Asit D. Javeri is Father and Mrs. Seema A. Javeri is Mother.	Mr. Asit D. Javeri is Husband and Mr. Abhishek A. Javeri is son.	NA

Terms and Conditions of Appointment/re-appointment	As per draft agreement	As per draft agreement	As per draft agreement	As per appointment letter
Details of Remuneration sought to be paid	Upto 5% of Net profit for the financial year, computed u/s 198 with minimum of Rs. 1,68,00,000 under schedule V	Upto 5% of Net profit for the financial year, computed u/s 198 with minimum of Rs. 1,68,00,000 under schedule V	Upto 5% of Net profit for the financial year, computed u/s 198 with minimum of Rs. 1,68,00,000 under schedule V	No remuneration except sitting fees
Remuneration last drawn	As mentioned earlier	As mentioned earlier	As mentioned earlier	NA
Number of Meetings attended during the year:	4	4	4	1



BOARD'S REPORT

To
The Members of
SADHANA NITRO CHEM LIMITED

The Board of Directors hereby submit the 48th Annual Report together with Audited Financial Statements of the Company for the Financial year ended 31st March, 2020-21

1. FINANCIAL RESULTS AND HIGHLIGHTS OF PERFORMANCE

(Rs. in Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations (Net) & Other Income	9429	12266	10796	10802
Total Expense	8134	9149	8930	8568
Profit before Taxation	1295	3117	1866	2234
Tax Expense	(273)	(768)	(274)	(769)
Profit/(Loss) after tax	1022	2349	1592	1465
Other Comprehensive Income	21	9	22	9
Total Comprehensive Income	1043	2358	1614	1474

2. REVIEW OF OPERATIONS/ STATE OF AFFAIRS OF THE COMPANY:

The total revenue of your company for the financial year ending 31st March, 2021 has been Rs. 9429 Lakhs as compared to Rs. 12266 Lakhs in the previous years, registering a decline of about 23.13%.

We have seen an unprecedented year, which due to the COVID-19 pandemic has forced governments to enforce lock-downs in their respective countries disrupting economic activities globally. Several of our customers, due to these lock downs, had their factories shut or functioned at reduced capacity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers globally. Due to these two factors, we experienced a decrease in turnover.

Besides above economic disturbances, increase in freight rates and raw material prices have impacted the margins in the year under review.

The EBIDTA from normal operation for 2020-21 was Rs. 2211 lakhs (PY EBIDTA of Rs. 3924 lakhs) registering decline of about 43.65 %.

The result of all the above factors, registering lower turnover and Profit after Tax (PAT) of Rs. 1022 (PY. Rs. 2349 Lakhs) from normal operation registering decline of about 56.50%.

The company has a satisfactory order book position. There has been no change in the nature of the business of the Company.

3. DIVIDEND:

Your Directors with a view to conserve liquidity in the current Pandemic situation do not recommend any dividend on equity share for financial year 2020-21.

4. BONUS:

Your Directors considering the reserves and surplus as on 31st March, 2021 recommended issue of bonus shares in the Ratio of two Bonus shares for every five existing equity shares held on the record date by Capitalisation of Reserves which has been approved by shareholders in the Extra Ordinary General Meeting held on 9th July, 2021.

5. EXPANSIONS:

Your company is happy to announce that pursuant to its application to Government of India, Ministry of Chemicals and Fertilizers, Department of Pharmaceuticals for availing production linked incentives (PLI) Scheme for proposed project of Para Amino Phenol (PAP), your company has been approved and awarded the PLI based on the press note dated 25th February, 2021.

Your company is in the stage of rolling out PAP plants of a capacity of 36000TPA. These capacities will be installed over a couple of years. The first phase of the PAP expansion of 6000TPA will be live for commercial production for H2 FY2021-2022. With the increased demand of PAP and the Production Linked Incentive Scheme awarded, your company is in process of setting up its plant at a faster pace.



As we see the world's economies stabilize, we have seen renewed demand in all of our products. In light of this we shall be de-bottlenecking some of our existing products for additional capacity.

The Board of Directors at its meeting held on 10th August, 2021 and subject to shareholders approval in the ensuing Annual General Meeting enhanced existing limit upto Rs.250 crore over and above networth of the Company as defined in section 180 of the Act

- a. Borrowing Limits u/s 180(1)(C) of the Act
- b. Consequent limits for creation of u/s 180(1)(a) of Act on movable and immovable properties of the Company both present and future in respect of borrowings u/s 180 of the Act.

6. EXPORTS:

Due to covid-19 pandemic which enforced suspension of operations of our foreign clients resulted in the deferment and delay in their orders. This year's total exports was Rs. 4783 lakhs compared to last year's Rs. 8509 lakhs registering a decline of about 43.78 %. Exports constituted about 50.72 % of the overall revenue from operation including other income.

While our local market is growing steadily, Company's turnover is still focused on the export market. With the increase in competitiveness of your company on a global front, it has stable export market share across Europe, Japan, North and South America etc. Company's Exports are well diversified in terms of product range as well as the Countries of Export.

7. OUTLOOK:

Your company has strong long-term fundamentals. It is looking towards leveraging its unique product offering along with its competitive strengths towards a long-term diverse sales pipeline with sustainable cash flows for the foreseeable future. Your company is looking to utilize its cash flow towards expanding product lines, diversify into downward derivatives of its existing products to create a maintainable long-term revenue pipeline and to further backward integrate to remove external dependencies. As the global markets are steadily opening up, we see a positive outlook in the demand. The expected commencement of PAP plant by end of September, 2021 will enhance the overall performance of the Company.

8. DEPOSITS:

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 (hereinafter referred as "the Act") and other applicable rules thereunder during the year under review. Hence, the requirement for furnishing of details is not applicable.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Pursuant to the provisions of Section 186 of the Act read with The Companies (Meetings of Board and its Powers) Rules, 2014, Loans, guarantees and investments has been furnished in the Notes No.5 A(I) to Audited financial statement which forms part of the financials of the Company.

10. UNPAID DIVIDEND & IEPF:

The Company is not required to transfer any amount to the Investor Education & Protection Fund (IEPF) and does not have unclaimed dividend which remains to be transferred to Unpaid Dividend Account.

11. TRANSFER TO RESERVES:

The Board of Directors have not appropriated and transferred any amount to any Reserve and the Board has decided to retain the entire amount in profit and Loss account.

12. 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.

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

As on 31st March, 2021 the Company has two wholly owned subsidiary viz. AnuChem B.V.B.A. Belgium, a Foreign Subsidiary, and Spidigo Net Private Limited, an Indian Subsidiary. Financial Statement of the said subsidiaries are considered for the purpose of preparing Consolidated Financial statements.

Spidigo Net Private Limited and AnuChem B.V.B.A continue to be engaged in their respective nature of business. The performance and financial position/salient features of both the subsidiaries for the year ended 31st March, 2021 is given in Form AOC-I which is annexed hereto and marked as **Annexure-I**

Spidigo Net Private Limited (Transferor Company) has filed petition with National Company Law Tribunal (NCLT) Ahmedabad Bench on 27/05/2021 for its Merger (By absorption) with our Company

14. RELATED PARTY TRANSACTIONS:
a) The particulars of contracts or arrangements with related parties:

Your Company has historically adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length as part of its philosophy of adhering to highest ethical standards, transparency and accountability. In line with the provisions of the Act and the Listing Regulations, the Board has approved a policy on related party transactions. An abridged policy on related party transactions has been placed on the Company's website at <https://www.sncl.com/policy>.

Related Party Transactions are also placed on a quarterly basis before the Audit Committee and Board of Directors for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature.

Further, the Company has not entered into any material transactions/contracts/arrangements referred to in Section 188(1) of the Act with related party(ies) as defined under Section 2(76) of the Act during the financial year under review.

b) Disclosure of Related Party Transaction with Person or Entity belonging to Promoter & Promoter Group:

The Company has not made any transaction(s) with ManekchandPanachand Trading Investment Co Private Limited, (Being Holding Company) an Entity belonging to Promoter or Promoter Group that holds 10% or more shareholding of the Company

c) Disclosure of Loans and advances in nature of Loan to Subsidiaries and Associate of the Company:

The Company has given Loan to its Wholly owned Subsidiary named Spidigo Net Private Limited amounting to Rs.877,68,324/-

15. INSURANCE:

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

16. 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 is reviewed periodically and modified suitably to ensure controls.

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

17. CHANGES IN SHARE CAPITAL:
a. During the year under review, the Company has issued Bonus Shares in the ratio of one Bonus shares for every two existing equity shares held as on the record date by capitalization of reserves as approved by shareholders in the Extra-ordinary general meeting dated 10th September, 2020.
b. Increase in Authorised share capital:

The Board at its meeting held on 10th August, 2021 approved increase in Authorised Share capital of the company and consequential amendment in Memorandum of Association of the company subject to the approval of the members of the Company in the ensuing Annual General Meeting from existing Authorized Share Capital of the Company of 21,50,00,000 (Rupees Twenty One Crores and Fifty Lakhs) divided into 21,50,00,000 (Twenty One Crores and Fifty Lakhs) Equity Shares of Rs.1/- (Rupee One) each to Rs. 30,00,00,000 (Rupees Thirty Crores) divided into 30,00,00,000 (Thirty Crores) Equity Shares of Rs. 1/- (Rupee One) each.

18. MATTERS RELATED TO DIRECTORS:
a) Declarations by Independent Directors:

All Independent Directors have given their declarations that they meet the criteria of independence as laid down under the Act and are registered with MCA Independent Director's Databank.

b) Board Evaluation:

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Director. The same was discussed in the Board meeting held subsequently to the meeting of the independent directors, at which the performance of the Board, its Committees and individual directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

c) Remuneration Policy:

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

d) Number of Board Meetings:

The Board met 4 times during the financial year ended 31st March, 2021 in accordance with the provisions of the Act, the details of which are given in the Corporate Governance Report.

e) Board of Directors and Key Managerial Persons:
i) Appointment/Re-appointment

- During the year under review, Mrs. Ayesha Sunil Patel was appointed as the Additional Independent Director of the Company on 7th December, 2020.
- The Nomination and Remuneration Committee along with Board of Directors of your Company in its meeting held on 10th August, 2021 recommended her appointment as an Independent Director for a consecutive term of 5 years commencing from 7th December, 2020 subject to share holders approval in the ensuing Annual General Meeting.
- The Board of Directors of the Company at its Meeting held on 20th April, 2021 had re-appointed the following for a further period of 3 years w.e.f. 1st May, 2021, subject to the approval of members of the Company in the ensuing Annual General Meeting.

- a. Shri. Asit D. Javeri as an Executive Chairman of the Company.
- b. Shri. Abhishek A. Javeri as the Managing Director & CFO of the Company.
- c. Smt. Seema A. Javeri as an Executive Director (Administration) of the Company.
- The Board of Directors of the Company at its Meeting held on 9th June, 2021 had approved extension of service of Mr. N.R. Jani, Company Secretary of the company for a further period of 3 years w.e.f. 13th November, 2021.

ii) Resignation:

Mr. Arvind R. Doshi has tendered his resignation on 2nd June, 2021. Your Company appreciates and takes on record his valuable advice and contribution during his long tenure of more than 47 years. Except him no other Directors and Key Managerial Personnel of the Company have resigned during the financial year ended 31st March, 2021.

iii) 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 Act, Mr. Abhishek A. Javeri retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

iv) Appointment criteria and qualifications:

The Nomination & Remuneration Committee identifies and ascertain the integrity, qualifications, expertise and experience of the person for appointment as Director, Key Managerial Personnel ("KMP") or at Senior Management level and recommend the same to the Board for appointment.

19. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) of the Act, the Board of Directors of your Company to the best of their knowledge and ability confirm that:

- (a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;
- (b) They have selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the Financial Year and of the profit of your Company for that period;
- (c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (d) They have prepared the Annual Accounts on a going concern basis;
- (e) They have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and are operating effectively;
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. COMMITTEES OF BOARD OF DIRECTORS OF THE COMPANY:

Following are the Committees of Board of Directors of the Company, the composition of which are hosted on the website of the Company and details of the committees has been mentioned in the Corporate Governance Report.

a) Audit Committee:

The Audit Committee was constituted pursuant to the provisions of Section 177 of the Act. The composition of the Audit Committee is in conformity with the provisions of the said section.

The Board has accepted all the recommendations made by the Audit Committee during the year under review.

b) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was constituted pursuant to the provision of section 178 of the Act.

The Committee has in accordance with the provisions of sub-section (3) of Section 178 of the Act formulated and uploaded on <https://www.sncl.com/policy>, 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.

c) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee was constituted pursuant to the provisions of Section 178 of the Act.

d) Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee was constituted pursuant to the provisions of Section 135 of the Act. The composition of the committee are as follows:

Shri. Asit Dhankumar Javeri, Chairman,

Shri. Arvind Raoji Doshi, Member and (Resigned w.e.f 2nd June, 2021)

Shri. Priyam Shantilal Jhaveri, Member

Smt. Ayesha S Patel, Member (appointed w.e.f 3rd June, 2021)

The CSR policy is available on the website of the Company at the link <https://www.sncl.com/policy>.

The Annual Report on CSR Activities, as stipulated under the Act and the SEBI (LODR) Regulations, 2015 forms an integral part of this Report and the Company has initiated activities in accordance with the said Policy, the details of which have been prescribed in **Annexure-II**

21. INTERNAL COMPLAINT COMMITTEE FOR PREVENTION AND PROHIBITION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Internal Complain Committee was constituted as per provision of the Act for prevention and prohibition of Sexual Harassment of woman at workplace which consists of following members:

Mrs. Seema Asit Javeri – Chairperson

Mrs. Philomena Fernandes- Member

Mrs. Jyotsana Tushar Parab- Member

Mrs. Mamta Jatin Shah- Member

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the year under review no complaints were received by the Committee.

22. VIGIL MECHANISM / WHISTLE BLOWER AND RISK MANAGEMENT POLICY:

Pursuant to the provisions of Section 177 (9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 22 of SEBI (LODR) Regulations 2015 the Company already has in place "Vigil Mechanism Policy" (Whistle Blower Policy) for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from 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.

23. AUDITORS & REPORTS:
a) Statutory Auditors of the Company and their observations on accounts for the year ended 31st March, 2021:

At the 46th Annual General Meeting held on 25th September, 2019, the Members approved appointment of M/s. Jayesh Dadia & Associates LLP, Chartered Accountants (Firm registration No: 121142W /W100122) to hold office from the conclusion of the 46th Annual General Meeting until the conclusion of the 51st Annual General Meeting to be held for the financial year 2024.



There is no adverse remarks by Statutory Auditor in the report issued by them for the financial year end 31st March 2021.

b) Internal Auditors of the Company:

The Board of Directors in their meeting held on 9th June, 2021 re-appointed M/s Chandrashekhar Iyer & Co., as the Internal Auditor of the Company for the financial year 2021-22. The Company ensures compliance and controls so that the assets and business interests of your Company are adequately safe guarded.

c) Cost Auditors of the Company:

The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s Vinay Mulay & Co., Cost Accountants (Reg No: M/8791) as the cost auditors of the Company for the year ending 31st March, 2022 subject to approval of members in the ensuing Annual General Meeting.

Further, as specified by the Central Government under sub-section (1) of section 148 of the Act the required accounts and records are made and maintained by the Company.

d) Secretarial Auditors of the Company:

The Board on the recommendation of the Audit Committee appointed M/s. Makarand M. Joshi & Co., Company Secretaries in Practice, Mumbai, as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2020-21 and their report is annexed hereto and marked as **Annexure – III** Observation made by Secretarial Auditor as per said report along with explanation made by Board is given below:

Sr. No.	Particular of Observation	Explanation by Board
1.	From 1 st April, 2020 to 6 th December, 2020, the composition of the Board was not in compliance with the Regulation. However, the Board has appointed Ms. Ayesha S. Patel as an Independent Woman Director w.e.f. 7 th December, 2020.	Due to Covid 19 situation, Company could not find out the suitable candidate. The same has been duly considered and duly complied by the Board of Directors through circular resolution dated 7 th December, 2020.
2.	The company has submitted the ASCR on 7 th August, 2020, which is beyond the prescribed time limit of SEBI Regulation and Covid 19 pandemic circular.	The delays have occurred due to unavoidable circumstances and the Company will strive to avoid such delay in future.
3.	The Company has submitted the outcome beyond the mandated period of 30 minutes from conclusion of Board Meeting.	The delays have occurred due to unavoidable circumstances and the Company will strive to avoid such delay in future.
4.	The shareholding pattern for quarter ended June, 2020 was filed on 22 nd July, 2020, beyond the prescribed time limit of SEBI Regulation.	The delays have occurred due to unavoidable circumstances and the Company will strive to avoid such delay in future.
5.	The Company has not given the reference of the link of the website in the newspaper publication where further details are available.	The same was omitted due to unavoidable circumstances and the Company will strive to avoid such omission in future.
6.	The company has maintained the structured digital database and it is in the process of updating the same.	The Company will ensure complete updation of Structured Digital Database at the earliest.
7.	In one instance, Designated Employees of the Company has deviated the Code of Conduct w.r.t. trading during window closure and the Company is in process of reporting the same to Stock Exchange(s).	The same has been duly considered by the Audit Committee of the Company at their meeting and the company is in process of reporting the same to Stock exchange.
8.	In one instance, the Company has not intimated to the designated depository about the cessation of the designated person.	The same has been duly considered by the Board of Directors at their meeting and suitable steps have been taken to update the same.



The Board has also appointed M/s. MMJB & Associates LLP, Company Secretaries in Practice, Mumbai as Secretarial Auditor to conduct Secretarial Audit of the Company for Financial Year 2021-22.

e) Reporting of frauds by statutory auditors:

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143 (12) of the Act read with Companies (Accounts) Rules, 2014.

f) Code for prevention of Insider Trading:

As per Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, your Company has adopted an amended Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code of practices and procedures for fair disclosure of unpublished price sensitive information and has been made available on the Company's website.

24. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to Regulations 17 to 27, clauses (b) to (l) of Regulation 46 (2) and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the corporate governance report together with Auditor report on the compliance on the same is annexed hereto and marked as **Annexure – IV** and the Management Discussion and Analysis report is annexed hereto and marked as **Annexure - V**.

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act, read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed hereto and marked as **Annexure-VI**.

26. ANNUAL RETURN:

Pursuant to the provisions of Section 92(3) and 134 (3) (a) of the Act, the Annual Return for the financial year ended 31st March 2021 will be uploaded on the website of the Company at www.sncl.com

27. SECRETARIAL STANDARDS OF ICSI

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India and approved by the Central Government.

28. INDUSTRIAL RELATIONS

The Company has been able to create a favorable work environment that motivates performance, customer focus and innovation in your company's strategies are based inter alia, on process of continuous learning and improvement.

The Company continues to focus on extensive training and developmental activities and efficiency and quality improvement initiatives.

29. PARTICULARS OF EMPLOYEES:

The particulars of the Employees of the Company drawing Remuneration in excess of the limits prescribed by the Act is annexed hereto and marked as **Annexure – VII**.

30. SIGNIFICANT OR MATERIAL ORDERS PASSED AGAINST THE COMPANY

Pursuant to the requirement of Section 134(3)(q) of the Act, read with Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014, it is confirmed that during FY 2020-21 there were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and your Company's operations in future.

31. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT:

There have been no other material changes and commitments affecting the financial position of your Company since the close of Financial Year i.e. 31st March 2021 and the date of this Report except those mentioned above.

32. LEGAL AND REGULATORY

Compliance with laws and regulations is an essential part of your Company's business operations. We are subject to laws and regulations in diverse areas as product safety, product claims, trademarks, copyright, patents, competition, employee health and safety, the environment, corporate governance, listing and disclosure, employment and taxes.

Frequent changes in legal and regulatory regime and introduction of newer regulations with multiple authorities regulating same areas lead to complexity in compliance. We closely monitor and review our practices to ensure that we remain compliant with relevant laws and legal obligations.

**33. SYSTEM AND INFORMATION**

Your Company's operations are increasingly dependent on IT systems and the management of information. Increasing digital interactions with customers, suppliers and consumers place even greater emphasis on the need for secure and reliable IT systems and infrastructure and careful management of the information that is in our possession.

The cyber-attack threat of un-authorised access and misuse of sensitive information or disruption to operations continues to increase nowadays. To reduce the impact of external cyber-attacks impacting our business, we have firewalls and threat monitoring systems in place, complete with immediate response capabilities to mitigate identified threats. Our employees are trained to understand these requirements.

34. IMPACT OF COVID 19

Your Company has assessed the possible impact of Covid-19 on its financial statements based on the internal & external information available upto the date of approval of these financial results and concluded that no adjustments are required in these results. The management is of the opinion that there is unlikely to be any material impact on the carrying values of assets, liabilities and provisions. The management will continue to closely monitor any changes to future economic conditions and assess their impact on operations of the Company.

35. GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- I. 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.
- II. 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.
- III. 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 Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- IV. 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.

36. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply, input costs, availability, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

37. ACKNOWLEDGEMENT

Your Directors would like to express their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board also places on record its appreciation and gratitude for the continued cooperation and support received by your Company during the year from shareholders, investors, bankers, financial institutions, customers, business partners, all regulatory and government authorities and other stakeholders.

For and On Behalf of the Board of Directors

ASIT D. JAVERI
EXECUTIVE CHAIRMAN
DIN: 00268114

Place : Mumbai
Date : 10/08/2021

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	Name of Subsidiary	
1	Name of the subsidiary / Joint Venture / Associates Companies	Anuchem B.V.B.A., Belgium	Spidigo Net Private Limited
2	Date on which the subsidiary company was associated or acquired	01/04/1998	11/03/2019
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	January to December 2020	April 2020 to March 2021
4	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 89,7931 Date: 31.12.2020	INR
5	Paid up Share capital	Rs. 16,83,621	Rs. 1,00,000
6	Reserves and Surplus	Rs.23,33,915	Rs. (7,89,80,476)
7	Total Assets	Rs. 21,80,95,995	Rs.2,19,39,781
8	Total Liabilities	Rs. 21,80,95,995	Rs. 2,19,39,781
9	Investments	Rs. --	Rs. --
10	Turnover	Rs. 8,76,50,788	Rs.4,45,688
11	Profit before taxation	Rs. (25,52,721)	Rs. 22,19,019
12	Provision for taxation / Def. Tax	Rs. 855	Rs. 4,051
13	Profit after taxation	Rs. (25,53,576)	Rs. 22,14,968
14	Proposed Dividend	Nil	Nil
15	% of shareholding	100 %	100 %

Names of Subsidiaries which are yet to commence operations: - N.A

Names of Subsidiaries which have been liquidated or sold during the year: N.A.

**Part "B": Associates and Joint Ventures**

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

Particulars	Name 1
1. Name of Associates/Joint Ventures	NOT APPLICABLE
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Latest audited Balance Sheet Date	
4. 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 %	
5. Description of how there is significant influence	
6. Reason why the associate / joint venture is not consolidated	
7. Net worth attributable to Shareholding as per latest audited Balance Sheet	
8. 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: - N.A.

Names of associates /joint ventures which have been liquidated or sold during the year: N.A.

Place: Mumbai

Dated: 10th August, 2021

For Jayesh Dadia & Associates LLP

Chartered Accountants
Firm Registration. No. 121142W / W100122
Jayesh Dadia
Partner
Membership No.033973

ANNEXURE - II

CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline on CSR Policy of the Company.

This CSR policy comprises the Company's philosophy and acknowledging its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. The CSR Policy focuses on enhancing the stakeholder's value, generating economic value of the nation and working towards well-being of the society through addressing critical social, environmental and economic needs of the marginalized / underprivileged sections of the society.

The Company is engaged in manufacture of chemical intermediates, heavy organic chemicals and performance chemicals. The Company is exposed to health, safety, security and environmental risks, given the diversity and complexity of the industry in which the Company operates. The Company is not only aware about its social responsibilities but also actively taking efforts for fulfilling the aspirations of the society even before the issue of CSR become the global concern and the part of regulatory enactments.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Asit Dhankumar Javeri	Executive Director, Chairperson	One	One
2	Mr. Arvind Raoji Doshi	Non-Executive Director - Independent, Member	One	One
3	Mr. Priyam Shantilal Jhaveri	Non-Executive Director - Independent, Member	One	One

3. The Board of Directors of the Company has approved CSR Policy based on the recommendation of the CSR Committee. The CSR Policy of the Company is available on the Company's web-site and can be accessed in the link provided herein below:
<https://www.sncl.com/policy>

4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 - **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - **Not Applicable**

6. Average net profit of the company as per section 135 (5). - 57,75,25,957/-

For FY 2019-20 (in Rs.)	For FY 2018-19 (in Rs.)	For FY 2017-18 (in Rs.)
31,12,65,231	1,13,85,34,755	28,27,77,884
Total profit for last 3 years (in Rs.)		1,73,25,77,870
Average net profit last 3 years (in Rs.)		57,75,25,957

8. CSR Expenditure for FY 2020-21:

Sl. No	Particulars	Amount (In Rs.)
a	Two percent of average net profit of the company as per section 135(5)	1,15,50,519
b	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NA
c	Amount required to be set off for the financial year, if any	NA
d	Total CSR obligation for the financial year (6a+6b-cc).	1,15,50,519

9. CSR Expenditure Done during FY 2020-21:

a) CSR amount spent or UNSPENT for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
(in Rs.)	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2,43,837	NIL	NIL	Will be transferred within timelines as prescribed by law		

b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Roha Industries Association	Item no (i) of Schedule VII	No	Maharashtra	Roha, Raigad	NA	95,480	95,480	NA	Yes	NA	
2	JP Sales Corporation	Item no (i) of Schedule VII	No	Maharashtra	Roha, Raigad	NA	18,107	18,107	NA	Yes	NA	
3	JP Sales Corporation	Item no (i) of Schedule VII	No	Maharashtra	Roha, Raigad	NA	1,30,250	1,30,250	NA	Yes	NA	

c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA



- d) Amount spent in Administrative Overheads: **NA**
e) Amount spent on Impact Assessment, if applicable: **NA**
f) Total amount spent for the Financial Year (8b+8c+8d+8e) : **NA**
g) Excess amount for set off, if any: **NA**

Sl. No	Particulars	Amount (In INR.)
i.	Two percent of average net profit of the company as per section 135(5)	1,15,50,519
ii.	Total amount spent for the Financial Year	NIL
iii.	Excess amount spent for the financial year [(ii)-(i)]	NA
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

10. CSR Expenditure unspent

- a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer.	
1	FY 2019-20	-	-	-	-	-	1,13,06,682
2	FY 2018-19	-	-	-	-	-	96,26,065
3	FY 2017-18	-	-	-	-	-	17,12,885

- b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
NA	NA	NA	NA	NA	NA	NA	NA	NA

11. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s). - **Not Applicable**
(b) Amount of CSR spent for creation or acquisition of capital asset. - **Not Applicable**
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - **Not Applicable**
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - **Not Applicable**

12. Reason(s) as why the company has failed to spend two per cent of the average net profit as per section 135(5): Due to the ongoing COVID-19 pandemic, the Company could not spend the required funds.

For and On Behalf of the Board of Directors

Place: Mumbai

Date: 10th August, 2021

ASIT D.JAVERI
EXECUTIVE CHAIRMAN
DIN: 00268114



Annexure-III

FORM NO. MR. 3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2021

[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 compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 (hereinafter called the '**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 Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act), and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (**External Commercial Borrowings not applicable to the Company during the Audit Period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (hereinafter called the "**PIT Regulations**")
 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 4. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (**Not Applicable to the Company during the Audit Period**)
 5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not Applicable to the Company during the Audit Period**)
 6. 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;
 7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not Applicable to the Company during the Audit Period**) and;
 8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (hereinafter called the "**Listing Regulations**")

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



1. Under Listing Regulation
 - the composition of the Board was not in compliance with Regulation 17 from 1st April, 2020 to 6th December, 2020, due to non-appointment of Woman Independent Director.
 - Annual Secretarial Compliance Report under Regulation 24A for the year ended 31st March 2020 was filed in delay.
 - the Company has made delay in submitting the outcome of Board Meeting in few instances.
 - Shareholding pattern under Regulation 31 for June 2020 was filed in delay
 - Company has not provided link of the website in newspaper advertisements.
2. Under PIT Regulation
 - The Structure Digital Database is not updated.
 - In one instance, change in Designated Personnel is not intimated to Designated Depository
 - In one instance, designated Personnel has deviated the Code of Conduct, w.r.t. trading during Window Closure
3. Filing of form MGT-14 pertaining to delegation of board power u/s 179 to Finance and Admin Committee is still in the process of filing
4. The Company has not filed Foreign Assets and Liabilities (FLA) and Annual Performance Report (APR) return for the financial year 2019-20.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, no law is applicable specifically 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 except as reported above. Further, changes in the composition of the Board of Directors that took place during the Audit period under review were carried out in compliance with the provisions of the act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except that due to Covid-19 Pandemic, we could not verify some of the acknowledgements of Notice & Agendas and draft & signed minutes of Board & Committee meetings, circular resolutions and attendance registers. Further 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 unanimously 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.

We further report that during the audit period, the Company

- (i) had issued and allotted 4,65,75,745 bonus equity shares of Rs. 1/- each and has altered the capital clause of Memorandum of Association for increasing its Authorised capital for the said transaction.
- (ii) had taken approval of Board of Directors for merger of wholly owned subsidiary M/s. Spidigo Net Pvt. Ltd. (Transferor Company) with the Company (Transferee Company)

For MMJB & Associates LLP.

Company Secretaries

Bhavisha Jewani

Designated Partner

FCS No. 8503

CP. No. 9346

UDIN: F008503C000765633

Peer Review Certificate No.: 904/2020

Place: Mumbai

Date: 10th August, 2021

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.



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 MMJB & Associates LLP.

Company Secretaries
Bhavisha Jewani
Designated Partner
FCS No. 8503
CP. No. 9346
UDIN: F008503C000765633
Peer Review Certificate No.: 904/2020
Place: Mumbai
Date: 10th August, 2021



ANNEXURE - IV TO DIRECTORS REPORT 2020-21

REPORT ON CORPORATE GOVERNANCE

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:

The Board of Directors as on March 31, 2021 comprised of Eight (8) Directors. The Chairman of the Board is an Executive Director. Five (5) (62.5%) Directors are Non-Executive and Independent Directors.

The composition of the Board is in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015 ('SEBI LODR').

The Company's Board Comprises of Individuals with considerable experience and expertise across a range of discipline including Business Management and Business Strategy.

The Board Members are fully aware of their roles and responsibilities in discharge of the key functions. The Board Members strive to meet the expectation of operational transparency without compromising the need to maintain confidentiality of information.

The Composition of the Board and Directorship held in other Companies as on 31st March, 2021:

Sr. No.	Name of the Director(s)	Category of Directorship	No. of outside Directorship	No. of other outside Committee positions held (*)	
				Chairman	Member
1	Mr. Asit D. Javeri	Promoter - Executive Chairman	5	2	4
2	Mr. Abhishek. A. Javeri	Promoter - Managing Director & Chief Financial Officer	4	0	0
3	Smt. Seema A. Javeri	Promoter - Executive Director	3	1	0
4	Mr. Arvind R. Doshi	Independent - Non-Executive	-	1	3
5	Mr. Pradeep. N. Desai	Independent - Non-Executive	3	1	2
6	Mr. Priyam. S. Jhaveri	Independent - Non-Executive	7	6	1
7	Mr. Amit M. Mehta	Independent - Non-Executive	10	1	1
8	Mrs. Ayesha S. Patel	Independent - Non-Executive	1	0	0

(*) In other Limited Companies (including Private Limited Companies) / Foreign companies. Only membership of audit committee and Stakeholder's Relationship Committee are considered.



The terms and conditions of appointment of the Independent Directors and the details of familiarization programme to them are available on the website of the Company <https://www.sncl.com/policy>

3. BRIEF PROFILE OF DIRECTORS OF THE COMPANY:

a) Shri. Asit D. Javeri (DIN: 00268114):

Shri. Asit D. Javeri (DIN: 00268114) aged 65 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 36 years.

At present Shri. Asit D. Javeri is Executive Chairman of the Company. He is also promoter of the company and holds 8351953 (5.9773 %) Equity Shares of the company as on 31st March, 2021.

Directorship and committee membership of Shri. Asit D. Javeri :

Sr. No.	Name of the Company	Listed / Unlisted Company	Category of Directorship	Membership in Committee
1	Phthalo Colors & Chemicals (India) Limited.	Unlisted	Director	Audit Committee- Member (Non - Executive)
2	Manekchand Panachand Trading Investment Company Private Limited.	Unlisted	Director	Nil
3	Chandra Net Private Limited*	Unlisted	Director	Nil
4	Lifestyle Net Works Limited.	Unlisted	Director	Nil
5	Sadhana Nitro Chem Limited	Listed	Executive Director	Corporate Social Responsibility Committee (Chairperson)
6	Premier Limited	Listed	Non-Executive - Independent Director	-Stakeholders Relationship Committee Chairman (Chairperson) -Nomination & Remuneration Committee (Member) -Audit Committee (Member) -Corporate Social Responsibility Committee (Member)

****Resigned with effect from March 30, 2021***

b) Shri. Arvind R. Doshi (DIN: 00015293):

Shri. Arvind R. Doshi (DIN: 00015293) aged 81 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 47 years.

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.

At present Shri Arvind R. Doshi is Non-Executive Independent Director of the Company. He is holding 74,055 (0.053 %) Equity Shares of the company as on 31st March, 2021.

Directorship and committee membership of Shri. Arvind R. Doshi:

Sr. No.	Name of the Company	Listed / Unlisted Company	Category of Directorship	Membership in Committee
1	Sadhana Nitro Chem Limited	Listed	Non-Executive - Independent Director	-Stakeholders Relationship Committee Chairman (Member) -Nomination & Remuneration Committee (Chairperson) -Audit Committee (Member) -Corporate Social Responsibility Committee (Member)

c) Shri. Priyam S. Jhaveri (DIN: 00045038):

Shri. Priyam S. Jhaveri (DIN: 00045038) aged 66 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.

At present Shri. Priyam S. Jhaveri is Non-Executive Independent Director of the Company. He is holding 400 (0.002%) Equity Shares of the company as on 31st March, 2021.

Directorship and committee membership of Shri. Priyam S. Jhaveri:

Sr. No.	Name of the Company	Listed / Unlisted Company	Category of Directorship	Membership in Committee
1	Phthalo Colours and Chemicals (India) Limited	Unlisted	Chairman & Managing Director	Nil
2	Phthalo Pigments Private Limited	Unlisted	Director	Nil
3	Sonega Trades & Investments Private Limited	Unlisted	Director	Nil
4	Nanavati Sons Private Limited	Unlisted	Director	Nil
5	Nanavati Speciality Chemicals Private Limited	Unlisted	Director Non-Executive -	Nil
6	Sadhana Nitro Chem limited	Listed	Independent Director	-Stakeholders Relationship Committee Chairman (Member) -Nomination & Remuneration Committee (Chairperson) -Audit Committee (Member) -Corporate Social Responsibility Committee (Member)
7	IEL Limited	Listed	Executive Director, Chairperson, Managing Director	Nil
8	Excel Industries Limited	Listed	Non-Executive - Independent Director	Nil

**d) Shri. Pradeep N. Desai (DIN: 01602942):**

Shri. Pradeep N. Desai (DIN: 01602942) aged 59 years. He is Chemical Engineer. He joined the company as a Director from 12th February, 2013.

At present Shri. Pradeep N. Desai is Non-Executive Independent Director of the Company. He is holding 33,375 (0.024 %) Equity Shares of the company as on 31st March, 2021.

Directorship and committee membership of Shri. Pradeep N. Desai:

Sr. No.	Name of the Company	Listed / Unlisted Company	Category of Directorship	Membership in Committee
1	Tanishka Micro Encapsulation Private Limited	Unlisted	Director	-Stakeholders Relationship Committee Chairman (Member) -Nomination & Remuneration Committee (Member) -Audit Committee (Chairperson)
2	Aayan Nanotech Private Limited	Unlisted	Director	Nil
3	Life Style Networks Limited	Unlisted	Director	Nil
4	Sadhana Nitro Chem Limited	Listed	Non-Executive - Independent Director	Nil

e) Shri. Abhishek A. Javeri (DIN: 00273030):

Shri. Abhishek A. Javeri (DIN: 00273030) aged 38 years. He is son of Mr. Asit D. Javeri, Chairman & Executive Director of the Company and Smt. Seema A. Javeri, Executive Director - Administration, of the Company. He is BA in Economics from North Western University, USA. He joined the company as a Director from 24th January, 2007.

At present Shri. Abhishek A. Javeri is Managing Director & Chief Financial Officer of the Company. He is also a member of promoter group of the Company and holding 42,16,260 (3.0175 %) Equity Shares of the company as on 31st March, 2021.

Directorship and committee membership of Shri. Abhishek A. Javeri:

Sr. No.	Name of the Company	Listed / Unlisted Company	Category of Directorship	Membership in Committee
1	Spidigo Net Private Limited	Unlisted	Director	Nil
2	Manekchand Panachand Trading Investment Company Private Limited	Unlisted	Director	Nil
3	Life Style Networks Limited	Unlisted	Director	Nil
4	Chandra Net Private Limited*	Unlisted	Director	Nil
5	Sadhana Nitro Chem Limited	Listed	Managing Director & Chief Financial Officer	Nil

***Resigned with effect from March 30, 2021**

f) Smt. Seema A. Javeri (DIN: 01768936):

Smt. Seema A. Javeri (DIN: 01768936) aged 62 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.

At present Smt. Seema A. Javeri is Executive Director - Administration of the Company. She is also a member of the promoter group of the Company and holding 2,74,905 (0.1967 %) Equity Shares of the company as on 31st March, 2021.

Directorship and committee membership Smt. Seema A. Javeri:

Sr. No.	Name of the Company	Listed / Unlisted Company	Category of Directorship	Membership in Committee
1	Spidigo Net Private Limited	Unlisted	Director	Nil
2	Manekchand Panachand Trading Investment Company Private Limited	Unlisted	Director	Nil
3	Life Style Networks Limited	Unlisted	Director	Nil
4	Sadhana Nitro Chem Limited	Listed	Executive Director	-Internal Complain Committee for prevention and prohibition of Sexual Harassment of woman at workplace (Chairperson)

g) Shri. Amit M. Mehta (DIN: 00073907):

Shri. Amit M. Mehta (DIN: 00073907) aged 67 years is a B. Sc in Chemistry. He has vast experience of in Chemical Business. He joined the company as an Additional Independent Director of the Company on 30th April, 2018 subject to the approval of members in 45th AGM of the Company held in Financial Year 2018-19. In AGM of the Company held on 30th August, 2018, members of the Company approved the appointment of Shri. Amit M. Mehta as an Independent Director to hold the office for a term up to consecutive five years commencing from 30th April, 2018.

At present Shri. Amit M. Mehta is Non-Executive Independent Director of the Company. He is holding 640290 (0.458 %) Equity Shares of the company as on 31st March, 2021.

Directorship and committee membership of Shri. Amit M. Mehta:

Sr. No.	Name of the Company	Listed / Unlisted Company	Category of Directorship	Membership in Committee
1	Tomorrowland Apparels Private Limited	Unlisted	Director	Nil
2	Finorga (India) Pvt Ltd	Unlisted	Director	Nil
3	S. Amit Speciality Chemicals Private Limited	Unlisted	Director	Nil
4	Perfo Chem (India) Private Limited	Unlisted	Director	Nil
5	Topnotch Realty Private Limited	Unlisted	Director	Nil
6	Pinami Realty Private Limited	Unlisted	Director	Nil
7	Value E-Healthcare Limited	Unlisted	Director	Nil
8	Insight Health Scan Private Limited	Unlisted	Director	Nil
9	Global-Local Lifestyle Services Private Limited	Unlisted	Director	Nil
10	Fyra Insights Private Limited	Unlisted	Additional Director	Nil
11	Sadhana nitro chem limited	Listed	Non - Executive - Independent Director	Nil -Stakeholders Relationship Committee Chairman (Chairman)
12	Diamines Chemicals Limited	Listed	Non - Executive - Whole time Director	-Corporate Social Responsibility Committee (Member)

**h) Smt. Ayesha Sunil Patel (DIN: 02074115) :**

Smt. Ayesha Sunil Patel (DIN: 02074115) aged 62 years is B. Com, M.S. University, Baroda, Professional Management Education Programme, IIM. Ahmedabad and she was appointed as Non-Executive Additional Independent Woman Director of the Company on December 07, 2020.

Directorship and committee membership of Smt. Ayesha Sunil Patel:

Sr. No.	Name of the Company	Listed / Unlisted Company	Category of Directorship	Membership in Committee
1	Sampatti Education and Welfare foundation	Unlisted	Director	Nil
2	Sadhana Nitro Chem Limited	Listed	Additional Director	Nil

4. ATTENDANCE RECORD OF THE DIRECTORS:

During the Financial Year 2020-21:

- Four Meetings of Board of Directors were held on July 29, 2020, September 09, 2020, November 09, 2020, February 09, 2021.
- Last Annual General Meeting (AGM) of the Company was held on 25th September, 2020.

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

Dates on which the Meetings were held	Attendance of Directors							
	Mr. Asit D. Javeri	Mr. Arvind R. Doshi	Mr. Priyam S. Jhaveri	Mr. Abhishek A. Javeri	Mr. Pradeep N. Desai	Smt. Seema A. Javeri	Mr. Amit M. Mehta	Mrs. Ayesha Sunil Patel
Board Meeting 29th July, 2020	P	P	P	P	P	P	P	-
Board Meeting 9th September, 2020	P	P	P	P	P	P	P	-
Board Meeting 9th November, 2020	P	P	P	P	P	P	A	-
Board Meeting 9th February, 2021	P	P	P	P	A	P	P	A
AGM 25th September, 2020	P	A	A	P	A	P	A	-

**P denotes Present and A denotes Absent.*

5. DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE:

Name of Director	Inter - se Relationship
Mr. Asit D. Javeri	Father of Mr. Abhishek A. Javeri and Husband of Mrs. Seema A. Javeri
Mr. Abhishek A. Javeri	Son of Mr. Asit D. Javeri and Mrs. Seema A. Javeri
Mrs. Seema A. Javeri	Wife of Mr. Asit D. Javeri and Mother of Mr. Abhishek A. Javeri
Mr. Priyam S. Jhaveri	No Relation
Mr. Pradeep N. Desai	No Relation
Mr. Arvind R. Doshi	No Relation
Mr. Amit M. Mehta	No Relation
Mrs. Ayesha Sunil Patel	No Relation

Note:

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 a 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 are circulated within reasonable time period in accordance with the secretarial standards to all directors and are confirmed at subsequent meeting. The minutes of audit committee and other committees of the Board are circulated within the stipulated time period to all members of the Committees and are regularly place before the respective Committees.

6. TRAINING OF NON-EXECUTIVE MEMBERS OF THE BOARD:

All new non-executive Directors are appointed on the Board of the Company are introduced to the culture through induction sessions. The Executive Directors and senior management provide an overview of the operations and familiarize the new Non-executive Directors on matters the morals and principles of the Company.

They are introduced to the organization structures and various procedures. The Directors are also briefed pertaining to the group structure and subsidiaries. The Company has a detailed familiarization Programme for Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The details of such Programme is available on the website of the Company at <https://www.sncl.com/policy>.

7. NUMBER OF SHARES & CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS AS ON 31ST MARCH, 2021 ARE AS UNDER:

Name of Director	Director Category	Number of Shares/convertible instruments held
Mr. Amit M. Mehta*	Non-Executive, Independent	64,0290 Equity Shares
Mr. Arvind R. Doshi	Non-Executive, Independent	74,055 Equity Shares
Mr. Priyam S. Jhaveri	Non-Executive, Independent	400 Equity Shares
Mr. Pradeep N. Desai	Non-Executive, Independent	33,375 Equity Shares
Mrs. Ayesha Sunil Patel	Non-Executive, Independent	-

8. CONFIRMATION PERTAINING TO INDEPENDENT DIRECTORS OF THE COMPANY:

In the opinion of the Board of Directors of the Company, Mr. Amit M. Mehta, Mr. Arvind R. Doshi, Mr. Priyam S. Jhaveri, Mr. Pradeep N. Desai and Mrs. Ayesha Sunil Patel are Non-Executive Independent Directors are independent of the management and comply with criteria of Independent Director as placed in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

9. REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR:

During the year 2020-21, No Independent Directors of the Company has resigned before the expiry of their tenure.

10. LIST OF SKILLS/EXPERTISE/COMPETENCIES REQUIRED TO FUNCTION THE BUSINESS OF EFFECTIVELY:

Too many businesses fail because translating passion into a successful business model is a difficult task.

Developing a small business into a successful enterprise demands more than passion. Unfortunately, facts speak for themselves. Over half of new businesses fail mainly because the entrepreneur is unable to translate their passion into practical business skills. Success demands more than hard work, resilience, and expertise in your field. In order to succeed, you need to understand and to become proficient in a set of fundamental business skills. Following are the essential skills that you are required to run the business of the Company:

Financial Management Skill:

Being able to effectively manage your finances is critical. You will need to be able to forecast your cash flow and sales, as well

as, monitor your profit and loss. Having sound financial management skills will help you to run your business profitably and protect your financial investment.

Marketing, Sales and Customer Service Skill:

It is important to be able to promote your products or services effectively. Providing good customer service and having a marketing strategy in place will help you to generate sales.

Communication and Negotiation Skill:

Communication and negotiation with your suppliers, potential investors, customers and employees is very important to have. Having effective written and verbal communication skills will help you to build good working relationships. Every communication should reflect the image you are trying to project.

Management Skill:

These means offering other people opportunities to do work, even if you think it will benefit your own clout or resume to do it yourself. Delegation is an important part of time and resource management. If you take everything on yourself, chances are your work in key areas will suffer. Someone that excels in business will be able to manage their own workload by appropriately directing the appropriate colleagues and subordinates for the best tasks.

Strategic Planning Skill:

Strategic planning is a very important business activity. Strategic planning is a process of defining your company's strategy or direction and making decisions on allocations of resources of capital and people. The key is to know how to project your company's future performance, within a three-to-five year framework or more, supported by your well defined business plan. In terms of requirement of Listing Regulations, the Board has identified the following skills /expertise/competencies of the Directors are given below :

Skills And Its Description	Shri. Asit Dhankumar Javeri	Shri. Abhishek Asit Javeri	Smt. Seema Asit Javeri	Shri. Amit Mahendra Mehta	Shri. Priyam Shantilal Jhaveri	Shri Pradeep Nanasaheb Desai	Shri. Arvind Raoji Doshi	Smt. Ayesha Sunil Patel
Leadership experience of running large enterprise	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Experience of crafting Business Strategies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Understanding of Consumer and Customer Insights in diverse environments and conditions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Finance and Accounting Experience	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Experience in overseeing large and complex Supply Chain	Yes	Yes	Yes	Yes	Yes	Yes	Yes	

Skills And Its Description	Shri. Asit Dhankumar Javeri	Shri. Abhishek Asit Javeri	Smt. Seema Asit Javeri	Shri. Amit Mahendra Mehta	Shri. Priyam Shantilal Jhaveri	Shri Pradeep Nanasaheb Desai	Shri. Arvind Raoji Doshi	Smt. Ayesha Sunil Patel
Understanding use of Digital / Information Technology	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Experience of large companies & understanding of the changing regulatory landscape	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Communication and Negotiation Skill	Yes	Yes	Yes	Yes	Yes	Yes	Yes	

11. AUDIT COMMITTEE:

a) Preamble:

As required under section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with part C of schedule II thereto, the Board has constituted Audit Committee which comprises of the following Directors:

Name of Director	Nature of Membership and Date of Appointment	Director Category
Mr. Priyam S. Jhaveri	Chairman - (From 29/04/2008)	Non-Executive, Independent
Mr. Arvind R. Doshi	Member - (From 29/04/2008)	Non-Executive, Independent
Mr. Pradeep N. Desai	Member - (From 19/1/2018)	Non-Executive, Independent

b) Change in composition:

There was no change in the composition of the Audit Committee during the financial year 2020-21.

c) Terms of reference 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/ Terms of 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.



- e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval
- f) Reviewing with the management performance of statutory and internal auditors, adequacy of the internal control systems.
- g) 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.
- h) Discussions with internal auditors any significant findings and follow up thereon.
- i) 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.
- j) 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.
- k) 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.
- l) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- m) The Audit Committee shall mandatorily review the following information,
 - i. Management discussion and analysis of financial condition and results of operations;
 - ii. Statement of significant related party transactions (as defined by the audit committee), submitted by Management;
 - iii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - iv. Internal audit reports relating to internal control weakness; and
 - v. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Mr. Jayesh Dadia - Jayesh Dadia & Associates LLP, Partner of the firm - Statutory Auditor and Mr. Chandrashekar Iyer - Chandrashekar Iyer & Co., Partner of the firm - Internal Auditor have been permanent invitees to the Audit Committee Meetings besides Executive Chairman, Managing Director & Chief Financial Officer as an Invitee. Company Secretary attended most of the meeting of the Audit Committee as invitee as well.

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.

The Financial decisions of the Company are taken by the Mr. Asit D Javeri, Executive Chairman along with Mr. Abhishek A Javeri, Managing Director and Chief Financial Officer at the Meeting of Board of Directors.

d) Attendance record of the Members:

The attendance record of each member of the Audit Committee at the Meeting held on 29th July, 2020, 9th September, 2020, 9th November, 2020 and 9th February, 2021 are as follows:

Dates on which the Meetings were held	Attendance of Members		
	Mr. Priyam S. Jhaveri (Chairman)	Mr. Arvind R. Doshi (Member)	Mr. Pradeep N. Desai (Member)
29th July, 2020	P	P	P
9th September, 2020	P	P	P
9th November, 2020	P	P	P
9th February, 2021	P	P	A

The previous Annual General Meeting was held on 25th September, 2020. Priyam Shantilal Jhaveri, Chairman of the Audit Committee has attended the Annual General Meeting of the Company.

12. 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.

13. STAKEHOLDERS RELATIONSHIP COMMITTEE:

a) Preamble:

Pursuant to the provisions of section 178 (5) of the Act and Regulation 20 of the SEBI Regulations read with Part D of Schedule II thereto, the Shareholders' Committee of the Board was reconstituted as the Stakeholders' Relationship Committee. The Stakeholder Relationship Committee comprises of the following Directors:-

Name of Director	Nature of Membership and Date of Appointment	Director Category
Mr. Priyam S. Jhaveri	Chairman - (From 29/04/2008)	Non-Executive, Independent
Mr. Arvind R. Doshi	Member - (From 29/04/2008)	Non-Executive, Independent
Mr. Pradeep N. Desai	Member - (From 19/1/2018)	Non-Executive, Independent

b) Change in composition:

There was no change in the composition of the Stakeholders' Relationship Committee during the financial year 2020-21.

c) Terms of Reference:

- Review the existing Investors Redressal 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 redressal 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.

d) Attendance record of the Members:

The attendance record of each member of the Stakeholder Relationship Committee at the Meeting held on 29th July, 2020 is as follows:

Dates on which the Meetings were held	Attendance of Members		
	Mr. Priyam S. Jhaveri (Chairman)	Mr. Arvind R. Doshi (Member)	Mr. Pradeep N. Desai (Member)
29th July, 2020	P	P	P



All share transfer and correspondence thereon are handled by the Company's Registrars and Share Transfer Agents viz. Link Intime Private Limited situated at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400-83.

e) Name and Designation of Compliance Officer:

Mr. Nitin R. Jani, Company Secretary, has been appointed as the Compliance Officer, as required under Regulation 6 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). 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 have been duly intimated to exchange under Regulation 13 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which is as follows:

Sr. No.	No of Shareholder's Complaints received during the year 2020-21	No of Shareholder's Complaints resolved to Shareholder's satisfaction during the year 2020-21	No of pending complaints during the year 2020-21
1	0	0	0

14. NOMINATION & REMUNERATION COMMITTEE:

Pursuant to section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Regulations read with Part D of Schedule II thereto the Company has constituted the Nomination & Remuneration Committee. This 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.

a) 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.
- vi. 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.

b) Remuneration Policy:

Preamble:

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 inconsonance with the existing industry practice.

The Nomination & Remuneration Committee consists of the following Directors.

Name of Director	Nature of Membership and Date of Appointment	Director Category
Mr. Arvind R. Doshi	Member - (From 29/04/2008)	Non-Executive, Independent
Mr. Priyam S. Jhaveri	Chairman - (From 29/04/2008)	Non-Executive, Independent
Mr. Pradeep N. Desai	Member - (From 19/1/2018)	Non-Executive, Independent

c) Change in composition of Nomination and Remuneration Committee:

There was no change in the composition of the Nomination & Remuneration Committee during the financial year 2020-21.

d) Attendance record of the Members:

The attendance record of each member of the Nomination & Remuneration Committee at the Meeting held on 29th July, 2020 and 9th November, 2020 are as follows :

Dates on which the Meetings were held	Attendance of Members		
	Mr. Priyam S. Jhaveri (Chairman)	Mr. Arvind R. Doshi (Member)	Mr. Pradeep N. Desai (Member)
29th July, 2020	P	P	P
9th November, 2020	P	P	P

15. CONSTITUTION OF FINANCE & ADMIN COMMITTEE

Preamble:

The Members of the Board are hereby informed that the Company needs to constitute "Finance and Admin Committee" in pursuance of the provisions of Section 179 of the Companies Act, 2013 on November 09, 2020 for the purpose of Financial Management and administration,

The committee vested with the following roles and responsibilities -

- to borrow monies up Rs. 160,28,82,083
- to invest the funds of the company;
- to grant loans or give guarantee or provide security in respect of loans
- treasury management and organizational procedures
- preparation of budgets
- Insurance
- Financial Management
- Administration

The Finance & admin Committee consists of the following Directors.

Name of Director	Nature of Membership and Date of Appointment	Director Category
Mr. Asit Dhankumar Javeri	Member (From 09/11/2020)	Executive Director & Chairman
Mr. Abhishek Asit Javeri	Chairman (From 09/11/2020)	Managing Director & CFO
Mr. Nitin R. Jani	Member (From 09/11/2020)	Company Secretary

16. REMUNERATION OF DIRECTORS:
a) Preamble:

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.

Details of remuneration of the Directors during Financial Year 2020-21:

Name of the Director	Fixed Salary			Bonus/ performance linked incentives	Sitting fees	Comm- ission	Total
	Base Salary	Benefits	Total fixed salary				
Mr. Asit D. Javeri *	8400000	8400000	16800000	–	–	–	16800000
Mr. Abhishek A. Javeri *	8400000	8400000	16800000	–	–	–	16800000
Smt. Seema A. Javeri*	8400000	8400000	16800000	–	–	–	16800000
Mr. Arvind R. Doshi	–	–	–	–	82000	–	82000
Mr. Priyam S. Jhaveri	–	–	–	–	82000	–	82000
Mr. Amit M. Mehta	–	–	–	–	30000	–	30000
Mr. Pradeep N. Desai	–	–	–	–	66000	–	66000
Mrs. Ayesha Sunil Patel (Appointment from 07.12.2020)	–	–	–	–	0	–	0
Total	2,52,00,000	2,52,00,000	5,04,00,000	–	2,60,000	–	5,06,60,000

(*) They are not eligible for sitting fees.

**b) Service Contracts:**

In accordance with the applicable provisions of the Companies Act, 2013 our shareholders approve the salary, benefits of Executive Directors. We enter into service contracts with each of our Directors containing the terms and conditions of employment including salary, performance bonus and other benefits including perks to be received by the Executive Directors.

c) Notice Period:

The terms of our employment arrangements with Shri. Asit D. Javeri, Shri. Abhishek Asit Javeri and Smt. Seema Asit Javeri Provided or upto six months' notice period.

d) Severance/ Compensation fees:

The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of Directors.

e) Criteria for making payment to Non - Executive Directors:**• Sitting Fee:**

Each Non-Executive Director is paid per meeting attended a sitting fee of Rs. 10,000/- for attending Board Meeting and Rs. 6,000/- for attending Committee Meeting.

• Commission:

Under the Companies Act, 2013, Section 197 allows a company to pay remuneration to its NEDs either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other. Further, the section also states that where the company has managing director or whole-time director or manager, then a maximum of 1% of its net profits can be paid as remuneration to its Non-Executive Director. In case there is no managing director or whole-time director or manager, then a maximum of 3% of net profit can be paid. Thus, the basis of payment to the Non-Executive Director is the net profit of the Company.

Currently the Company is not paying Commission to its Non-Executive Director.

• Reimbursement of actual expenses incurred:

Non-Executive Director may also be paid / reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such member for attending Board/Committee Meetings or for Company's work.

• Payment and other consideration to independent directors:

An independent director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or committee thereof and profit related commission up to a certain percentage of net profits in such proportion, as may be permissible under the applicable law.

17. GENERAL BODY MEETING:**A. Details of the last three Annual General Meetings:**

AGM For Financial Year Ended	Venue	Date	Time	No of Special Resolution Passed
2017-18	Sheth Hirachand Gumanji Trust Hall, Hira Baug, 1st Floor, Kasturba Chowk (C.P. Tank) Mumbai - 400004	30.08.2018	03.00 p.m.	Nil
2018-19	Sheth Hirachand Gumanji Trust Hall, Hira Baug, 1st Floor, Kasturba Chowk (C.P. Tank) Mumbai - 400004	25.09.2019	03.00 p.m.	Nil
2019-20	Sheth Hirachand Gumanji Trust Hall, Hira Baug, 1st Floor, Kasturba Chowk (C.P. Tank) Mumbai - 400004	25.09.2020	03.00 p.m.	Nil



- *To Reappoint Shri Asit D. Javeri (DIN: 00268114) w.e.f. 1st May 2018 as Chairman & Managing Director and to re-designate him as executive Chairman of the Company.
- *To Reappoint Shri Abhishek Asit Javeri (DIN: 00273030) w.e.f. 1st May 2018 as Executive Director & CFO and re-designate him as managing director and CFO of the Company
- *To Reappoint Mrs. Seema Asit Javeri (DIN: 01768936) as Executive Director (Administration) of the Company for period of 3 (Three) Years with effect from 1st May, 2018

B. Extra-Ordinary General Meetings:

During the year, Extra-Ordinary General Meeting of the company held on 10th September, 2020. The following items of business were transacted at the Meeting.

1. Reclassification of Authorized Share Capital and Consequent Alteration of Memorandum of Association and Article of association
2. To approve issue of Bonus shares.

C. During the year, no resolutions has been passed by way of Postal Ballot

18. MEANS OF COMMUNICATION:

The quarterly, half yearly and annual results for Sadhana Nitro Chem Limited and the consolidated financial results for its Subsidiary Companies are published in English in Financial Express and in Marathi in Mumbai Lakshadeep and are displayed on Company's website at <https://www.sncl.com/financials>

The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchange are promptly filed on BSE Listing Centre, for dissemination on its websites.

19. GENERAL SHAREHOLDER INFORMATION:

a) Current Financial Year:

The current financial year of the Company is 31st March, 2021

b) Date, time and venue of 48th Annual General Meeting of the Company:

Date : 28th September, 2021

Time : 3.00 P.M.

Venue : at Sheth Hirachand Gumanji Trust Hall, Hira Baug, 1st Floor, Kasturba Chowk (C.P. Tank), Mumbai 400004, Maharashtra, India.

c) Date of Book Closure connection with 48th Annual General Meeting:

22nd September, 2021 to 28th September, 2021 (both days inclusive)

d) Dividend payment date :

If declared, within 30 days of the AGM for the financial year 2020-21.

e) Financial Year:

April 1, 2020 - March 31, 2021. Result of last quarter of FY 2020-21 is declared in the Board meeting held on 09.06.2021.

f) Name and address of the stock exchange where Company's shares are listed:

Name: BSE Limited

Address: Phiroze Jeejeebhoy Towers, Dalal Street, Kala Ghoda, Fort, Mumbai-400001 Maharashtra.

g) Confirmation of Payment of Listing Fess to BSE Limited:

The Company has made payment of listing fees to BSE Limited for the Financial Year 2020-21.

h) Financial Calendar:

For the year ended March 31, 2021, results were announced on

First quarter	September 09, 2020
Half year	November 09, 2020
Third quarter	February 09, 2021
Annual	April 20, 2021

(Tentative) Results for financial year 2021-22:

June 30, 2021	2nd week of August 2021
September 30, 2021	2nd week of November 2021
December 31, 2021	2nd week of February 2022
March 31, 2022	4th week of May 2022
Annual General Meeting	August, 2022

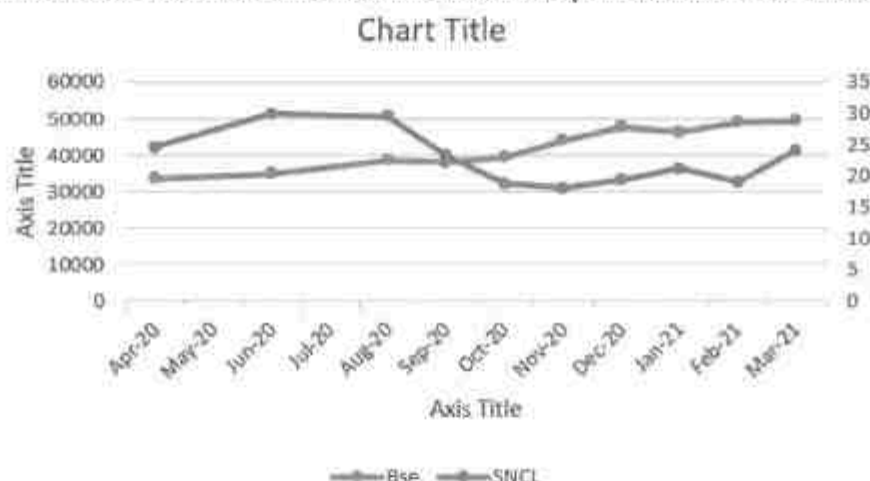
i) Suspension of Securities of the Company from Stock Exchange:

During the year 2020-21, the Company's securities have not been suspended from trading on BSE Limited.

j) Scrip Code and ISIN Number:

Scrip Code : 506642

ISIN Number : INE888C01040

k) PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES (SUCH AS BSE SENSEX/ CRISIL INDEX):

l) High/Low of Market Price of Company's Shares traded on the Bombay Stock Exchange (BSE) Up-to 31st March, 2021:

Month (April 2020 to March 2021)	High	Low	Close	No. of Shares Traded	Total Turnover
Apr 20	117.80	24.60	31.20	6,88,841	2,19,03,559
May 20	34.15	22.55	34.15	3,98,742	1,12,93,980
Jun 20	37.00	30.00	30.70	14,51,437	4,94,72,983
Jul 20	35.90	25.10	31.15	17,88,842	5,82,73,401
Aug 20	34.70	29.60	32.10	15,22,870	4,92,44,099
Sep 20	36.00	23.30	23.60	15,60,123	4,51,60,135
Oct 20	24.60	18.80	20.10	8,88,629	1,91,65,672
Nov 20	20.50	18.05	19.70	9,62,801	1,86,33,878
Dec 20	24.50	19.40	24.30	22,04,762	4,88,81,524
Jan 21	26.90	21.20	21.40	16,05,790	3,92,44,009
Feb 21	23.80	19.00	23.80	21,16,361	4,56,32,140
Mar 21	33.80	24.20	25.60	39,12,160	11,41,28,419

(Source : BSE website)

**m) Investor Services :**

The Company has appointed M/s. Link In-time India Private Limited (LIPL) (Formerly known as M/s. In-time 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 is also the Depository interface of the Company with both NSDL & CDSL.

Details of LIPL are as follows:

Address : C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400083.
Telephone No : 022-49186000
E-mail address : mt.helpdesk@linkintime.co.in,
Fax No : 022-49186060.

n) 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.

o) Outstanding Global Depository Receipts or American Depository Receipts or Warrants Or Any Convertible Instruments:

Not Applicable

p) 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). 98.34% of the equity shares of the company have been dematerialized as on 31st March, 2021.

q) Disclosure in Respect of Equity Shares Transferred To the 'Sadhana Nitro Chem Limited'-Unclaimed Suspense Account is as Under

	Particular	No. of shareholders	No. of equity shares
Opening Balance	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying as on April 01st, 2021.	Nil	Nil
Less	Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year.	Nil	Nil
Less	Number of shareholders whose shares got transferred from suspense account to IEPF during the year	Nil	Nil
Closing Balance	Aggregate number of shareholders and outstanding shares lying in the suspense account as on 31st March, 2021.	Nil	Nil

20. SHARE HOLDING PATTERN AS ON 31ST MARCH, 2021:
List of Investors Category wise (Summary)

Sr. No.	Category	Total Securities	Percentage
1	Clearing Members	94155	0.0674
2	Corporate Bodies (Promoter Co)	89409165	63.9884
3	Directors	13561963	9.706
4	Foreign Portfolio Investors (Corporate)	65794	0.0471
5	Hindu Undivided Family	818732	0.586
6	Mutual Funds	8400	0.006
7	Nationalised Banks	8220	0.0059
8	Non Nationalised Banks	1095	0.0008
9	Non Resident (Non Repatriable)	238277	0.1705
10	Non Resident Indians	594016	0.4251
11	Other Bodies Corporate	2394627	1.7138
12	Public	29704676	21.259
13	Relatives Of Director	2828115	2.024
	TOTAL :	139727235	100

Pursuant to Regulation 3(1)(e)(i) of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 and subsequent amendments thereto, Promoter Group and Persons acting in concert consists of Manekchand Panachand Trading Investment Company Private Limited and Mr. Asit D. Javeri & his family.

21. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2021:

Distribution Of Shareholding (Shares) Report Type : ALL (NSDL+CDSL+Physical)

Sr. No.	Shareholding of Shares	Distribution Of Shareholding (Shares) Report Type : ALL (NSDL+CDSL+Physical)			
		Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	6631	55.42	1037195	0.7423
2	501 to 1000	1539	12.8625	1183096	0.8467
3	1001 to 2000	1662	13.8905	2334917	1.6711
4	2001 to 3000	701	5.8588	1717474	1.2292
5	3001 to 4000	262	2.1897	912195	0.6528
6	4001 to 5000	212	1.7718	960296	0.6873
7	5001 to 10000	436	3.644	3209262	2.2968
8	10001 to 9999999999	522	4.3627	128372800	91.8739
	TOTAL :	11965	100	139727235	100

22. UNCLAIMED DIVIDEND:

The Company is not 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. No unpaid / unclaimed dividend remains to be transferred to IEPF.

**23. PLANT LOCATION:**

Sadhana Nitro Chem Limited, 47, MIDC Industrial Area, Roha, Dist. Raigad, Maharashtra - 402 116.

Telephone : Dhata-02194-263801-2-3

Fax : (91)02194-263522

24. 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.

25. OTHER 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 37 in Notes to Accounts in the Annual Report. These transactions are not likely to have any conflict with Company's interest. The Company also has the policy on Materiality of Related Party Transaction. The details of such policy are available on the website of the Company at <https://www.sncl.com/policy>.
- (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 prioritises 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 at <https://www.sncl.com/policy>.
- (f) **Details of utilization of funds raised through preferential allotment or qualified institutions placement:** During the year 2020-21, the Company has not raised any amount through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- (g) **Disqualification / Debar of Directors of the Company:** A certificate provided by M/s. Makarand M Joshi & Co. Practicing Company Secretary was placed before the Board of Directors of the Company in its meeting held on 10 August, 2021. On the basis of certificate provided by M/s. Makarand M Joshi & Co. Practicing Company Secretary the Board of Directors of the Company take a cognizance that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority. Certificate provided by M/s. Makarand M Joshi & Co. Practicing Company Secretary is annexed hereto and marked as **Exhibit - B** to this report.
- (h) **Acceptance of recommendation of Committee:** During the year 2020-21, all the suggestions / recommendations of all the committees of the Board, have been accepted by the Board of Directors.
- (i) **Maintenance of the Chairman's Office:** The Company has an Executive Chairman and the office provided to him for performing his executive duties is also utilized by him for discharging his duties as Chairman. No separate office is maintained for the Non- Executive Chairman of the Audit Committee but Secretarial and other assistance is provided to him whenever needed, in performance of his duties.
- (j) **List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year:** The Company has not taken any credit rating during the year under review.



- (k) **Total fees paid to Statutory Auditors of the Company:** M/s. Jayesh Dadia & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 121142W /W100122) the Company's Statutory Auditor, is responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

As required under Regulation 34 read with Part C of the Schedule V of the Listing Regulations, the total fees paid by the Company to the statutory auditor and all entities in the network firm / entity of which the statutory auditor is a part is Rs. 80,000/-.

- (l) **Hedging of risk :** The Company deals in foreign exchange in ordinary course of business and has adequate risk management mechanism. These are reviewed by the risk management and audit committee of the Company.
- (m) **Compliance with Mandatory and Non-Mandatory Requirements:** The Company had complied with all the mandatory requirements of SEBI (LODR) Regulations, 2015 to the extent applicable.

The status of compliance in respect of non-mandatory requirement the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

- i. **Shareholders' Rights:** Un-audited quarterly financial results are sent to the stock exchanges and published in the newspapers as per the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015.
- ii. **Modified opinion(s) in audit report:** There are no qualifications in the Auditor's Report on the financial statements to the Shareholders of the Company.
- iii. **Reporting of internal auditor:** The Internal Auditor directly reports to the Audit Committee.

There are no non-compliances of any requirements of Corporate Governance Report in sub-para (2) to (10) mentioned in schedule V of the SEBI (LODR) Regulations, 2015.

The Company had complied with Corporate Governance Requirements specified in Regulation 17 to 27 to the extent applicable and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015.

- (n) **Disclosure under the Sexual Harassment of Women at Workplace Prevention, Prohibition & Redressal) Act, 2013:**

Your Company has zero tolerance for sexual harassment at its workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made there under for prevention and redressal of complaints of sexual harassment at workplace. The Company also has an Internal Committee comprising of two male and two female members. During the year under review:

- Number of complaints filed during the financial year: NIL
- Number of complaints disposed of during the financial year: NIL
- Number of complaints pending as on end of the financial year: NIL

26. CODE OF CONDUCT AND CERTIFICATE ON COMPLIANCE THEREOF:

Certificate signed by the chief financial officer stating that the members of Board and Senior Management personnel have affirmed compliance with the code of conduct of Board of Directors and senior management is annexed hereto and marked as **Exhibit - C** to this report.

27. CEO / CFO CERTIFICATION:

The certificate is placed before the Board by the Chairman and Managing Director & CFO of the Company. This certificate is being given to the Board pursuant to Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part B of the said regulations.

The aforesaid certificate duly signed by the Chairman and Managing Director & CFO in respect of the financial period ended 31st March, 2021 has been placed before the Board in the meeting held on 9 June, 2021 is annexed hereto and marked as **Exhibit - D** to this report.

**28. 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.

29. ADDRESS FOR CORRESPONDENCE:

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



EXHIBIT - A

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI LISTING REGULATIONS

To
The Members of
M/s. Sadhana Nitro Chem Limited

We have examined the compliance of conditions of Corporate Governance by Sadhana Nitro Chem Limited ("the Company"), for the year ended 31st March, 2021, as stipulated in the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Regulations.

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

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm's Registration No. 121142W / W100122

Jayesh Dadia
Partner
Membership No. 033973

Place of Signature: Mumbai
Date: 10th August, 2021
UDIN:21033973AAAACP3017

**EXHIBIT B****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Sadhana Nitro Chem Limited
Hira Baug, 1st Floor
Kasturba Chowk (C.P. Tank)
Mumbai – 400 004

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) of **Sadhana Nitro Chem Limited having CIN: L24110MH1973PLC016698 and having registered office at Hira Baug, 1st Floor Kasturba Chowk (C.P. Tank) Mumbai – 400 004** (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate. In accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and documents available on the website of the Ministry of Corporate Affairs and Stock Exchanges as on 31st March 2021, and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and based on the disclosures of the Directors, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Table A

Sr. No	Name of the Directors	Director Identification Number	Date of Appointment in Company
1	Mr. Arvind Raoji Doshi	00015293	17/09/1974
2	Mr. Priyam Shantilal Jhaveri	00045038	11/03/1996
3	Mr. Amit Mahendra Mehta	00073907	30/04/2018
4	Mr. Asit Dhankumar Javeri	00268114	01/09/2015
5	Mr. Abhishek A. Javeri	00273030	30/08/2018
6	Mr. Pradeep Nanasaheb Desai	01602942	12/02/2013
7	Mrs. Seema A. Javeri	01768936	13/02/2014
8	Ms. Ayesha Sunil Patel	02074115	07/12/2020

For Makarand M. Joshi & Co.
Practicing Company Secretaries

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690
UDIN: F006667C000750597

Place: Mumbai
Date: 7th August, 2021

**EXHIBIT - C****CODE OF CONDUCT AND CERTIFICATE ON COMPLIANCE THERE OF**

This is to confirm that Company has adopted the Code of Conduct for Directors and Senior Management of the Company and is available on the website of the Company.

I hereby confirm that the Company has obtained affirmation from all the Members of the Board and the Senior Management Personnel that they have complied with the Code of Conduct for the Financial Year 2020-21.

This certificate is being given pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Abhishek A. Javeri
Managing Director & CFO

Place: Mumbai
 Date: 09th June, 2021

EXHIBIT - D**CEO/CFO CERTIFICATE PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To
The Board of Directors,
Sadhana Nitro Chem Limited

- A. I/We have reviewed the financial statements and the cash flow statement of Sadhana Nitro Chem Limited for the year ended 31st March, 2021 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. I/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. I/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.

For Sadhana Nitro Chem Limited.

Abhishek A. Javeri
Managing Director & CFO
 Place: Mumbai
 Date: 09th June, 2021



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

Over the last year the Chinese Government 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 48 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 stabilizer, 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.

Operational Performance

The Companies growth considering the past few years' performance has been Outstanding. The Company is striving further increasing profits. The total revenue from the operations for the year ended March 31, 2021 De-escalated by Rs. 2837 Lakhs as against in a previous financial year registering a decline of 23.13%.

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 during the year are expected to continue going forward.

The Company continued to focus on cost control at every level to improve the operational efficiency which along with the increased operating level and upward revision of product prices is expected to maintain growth trend. Continuous efforts are being made for efficient energy and raw material consumption. The rate of flow of orders is encouraging. Production facilities are realigned and will be expanded to meet the demand. Your company, barring unforeseen circumstances, expects to further improve the turnover and performance.

Risks and Concerns

Since raw materials form an important component of your company's value chain, foreign exchange, 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.

Internal Control System 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 finalized 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 substantially decreased to Rs. 2837 Lakhs as compared to the previous year of Rs. 14,574/- 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 favorable 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. Important factors that could influence the Company's operations include the impact of Covid-19 Pandemic, global and domestic demand and supply, input costs, availability, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

Key Financial Ratios

Sr. No	Particulars of Ratio	31.3.2021 (in%)	31.3.2020 (in%)	Explanation for change in Ratios
1.	Debtors Turnover	1.54	1.73	Due to decline in turnover
2.	Inventory Turnover	1.07	2.02	Due to decline in turnover
3.	Interest Coverage Ratio	4.80	11.78	Due to increase in borrowing
4.	Current Ratio	1.47	1.41	More or less same
5.	Debt Equity Ratio	2.06	1.77	Due to increase in borrowing
6.	Operating Profit Margin (%)	18.17%	29.50	Due to decline in turnover
7.	Net Profit Margin (%)	11.07	19.28	Due to decline in turnover

Details pertaining to Net-worth of the Company

Particulars	31.03.2021 (In Rs.)	31.03.2020 (In Rs.)	Explanation for change in Net-worth
Net-worth	1,33,31,07,370	1,22,87,71,310	Escalated due to enhancement in equity share Capital by issue of bonus shares

For and On Behalf of the Board of Directors
SADHANA NITRO CHEM LIMITED

Asit D Javeri
Executive Chairman
DIN: 00268114
Place: Mumbai
Date: 10th August, 2021

ANNEXURE-VI
INFORMATION REQUIRED UNDER SECTION 134(3)(m) OF COMPANIES ACT, 2013 AND RULE 8(3) OF COMPANIES ACCOUNTS RULES, 2014.
1. CONSERVATION OF ENERGY

Steps taken for further conservation of Energy:

The Company has taken several measures to conserve and optimize 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.

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

	Particulars	31.03.2021	31.03.2020
1.	Electricity		
a)	Purchased Unit in kwh	2663600	2204416
	Total amount (Rs.)	26368663	21649309
	Rate/Unit (Rs.)	9.90	9.82
b)	Own generation		
	Through Diesel Generator Units in (kwh)	10240	45696
	Unit per liter of diesel oil (kwh)		
	Liter of Diesel		
	Total amount (Rs.)	636874	654268
	Cost/Units (Rs.)	62.19	14.31
2.	Furnace Oil		
	Quantity (KL)	1136.270	1181.880
	Total Cost (Rs.)	32980259	36546184
	Average Rate (/MT)	29025.02	30922.08
3.	Briquettes		
	Quantity (MT)	-	-
	Total Cost (Rs.)	-	-
	Average Rate (Rs./MT)	-	-
4.	Water		
	Quantity (M3)	85728	50369
	Total Cost (Rs.)	3594312	1908276
	Average Rate (Rs./M3)	41.92693169	37.88

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

- A. 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.
- B. Benefits derived as a result of the 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.



- C. Future Plan of Action:
To continue R&D in the relevant areas to achieve its benefits.

D. Expenditure on R&D

	Particulars	31.03.2021	31.03.2020
(a)	Capital	230178	859855
(b)	Recurring	7226839	7874375
	Total	7457017	8734230
(c)	Total R&D expenditure as a % of total turnover	0.85%	0.76%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- A. 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.
- B. 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.
- C. 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.

3. FOREIGN EXCHANGE EARNINGS AND OUT GO

- 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 54 % of its chemical intermediate production. The total exports during the year were Rs. 4783 Lakhs (PY Rs. 8509 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.)

	Used:	31.03.2021	31.03.2020
(i)	a) Imports (CIF)	121079898	118936488
	b) Other expenditure	14567336	2014620
(ii)	Earned:		
	Exports (F.O.B.)	330021916	825640504

For and On Behalf of the Board of Directors
SADHANA NITRO CHEM LIMITED

Asit D. Javeri
Executive Chairman
DIN: 00268114
Address: Ratnagar Palace 37 Chowpatty Seaface
Mumbai-400007.

Place: Mumbai
Date: 10th August, 2021


ANNEXURE - VII

Disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Remuneration) Rules, 2014

Name of the Employee	Asit D. Javeri	Abhishek A. Javeri	Seema A. Javeri	Nitin R. Jani
Designation of Employee	Executive Chairman	Managing Director & CFO	Executive Director (Administration)	Company Secretary
Remuneration received	16800000/-	16800000/-	16800000/-	9280000/-
Nature of employment	Contractual	Contractual	Contractual	Contractual
Date of Commencement of Employment	22-01-1985	24-01-2007*	13-02-2014	11.12.1984 (As Company Secretary)
Qualification of the Employee	B. Sc. (Hon)	Graduate in Economics from North Western University, USA	B.Sc.	B.Com., A.C.A., A.C.S.
Experience of the Employee	36 years	13 years	14 years	37 years
Age of the Employee	65 years	37 years	63 years	63 years
Last Employment	Bec Chemical Pvt. Ltd.	Life Style Networks P. Ltd.	Manekchand Panachand Trading Inv. Co.P.Ltd.	Bec Chemical Pvt. Ltd.
Related to	Mrs. Seema A. Javeri & Mr. Abhishek A. Javeri	Mr. Asit D. Javeri and Mrs. Seema A. Javeri	Mr. Asit D. Javeri and Mr. Abhishek A. Javeri	None

*appointed as Non Executive Director and further reappointed as Executive Director & CFO on 01-04-2016 and redesignated as Managing Director & CFO w.e.f. 24/07/2018.

Mr. Asit D. Javeri is related to Mrs. Seema A. Javeri & Mr. Abhishek A. Javeri, Directors of the Company

B. Disclosure under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Remuneration) Rules, 2014.

I. The percentage increase in remuneration of the Executive Chairman, Executive Director (Admin), Managing Director & Chief Finance Officer and Company Secretary during the financial year 2020-21, the ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year and the comparison of remuneration of each Key Managerial personnel (KMP) against the performance of the Company is as under:



Sr. No.	Name	Designation	Remuneration for F.Y. 2020-21 (in Rs)	% increase in the remuneration for financial year 2020-21	Ratio of remuneration of Director to median remuneration of employees	Comparison of the remuneration against the performance of the company
1	Asit D. Javeri	*Executive Chairman	16800000	0%	64.29	43.64% Increase in EBITDA of Company
2	Seema A. Javeri	Wholetime Director	16800000	0%	64.29	
3	Abhishek A. Javeri	Managing Director &	16800000	0%	64.29	
4	Nitin R. Jani	Chief Financial Officer Company Secretary	9280000	0%	35.51	

- II. The median remuneration of employees during the financial year was Rs.261305/-
- III. There were 242 permanent employees on the rolls of the Company as on 31st March, 2021.
- IV. In the financial year there was an increase of (-)22.03% in the median remuneration.
- V. Average increase made in the salaries of employees other than the managerial personnel in the financial year 2020-21 was (-)11.70% and average in the managerial remuneration w.r.t the managerial personnel for the financial year 2020-21 was 0%.
- VI. It is hereby affirmed that the remuneration is paid as per the remuneration policy of the company.
- VII. List of top 10 employees in terms of remuneration drawn

Sr. No.	Name of the Employee	Designation	Remuneration	Date of commencement of employment	Age of employee	Last employment held by such employee	Qualification
1	Pranav S. Shah	CEO(SBU)	4455000	01.01.2018	54	Elinfo chips Ltd.	B.E.M.S(Com)
2	Rajesh Modhwadiya	Principal Engineer	2512222	09.05.2020	45	Sophos Technology Pvt.Ltd.	MCA (Guj. University)
3	Pankaj Lanjewar	Manager(IT)	1524100	01.07.2018	37	Life Style Networks Ltd.	B.Com.
4	Bankim I. Rana	Sr.Software Engineer	1479000	01.01.2018	42	Strix Wireless Systems P.Ltd.	B.E. (Comp.Engg.)
5	R.M Gandhi	DGM(Accounts)	1200000	14.08.1977	63	1st Employment	B.Com.
6	G.K Kutty	DGM(Prodn)	1200000	21.03.1979	68	1st Employment	BSc (Chem)
7	V. Ramakrishnan	DGM(Admn)	1200000	22.06.1987	68	RDC Muscut	S.S.L.C
8	M.M. Bhale	DGM(Project)	1200000	01.11.1993	63	IBI Chemature Pvt. Ltd	D.Mech (Draftsman)
9	V J MODI	DGM (Sales)	1200000	01.04.2018	73	1st Employment	B.Com.
10	A.R Prabhu	Manager(A&F)	1140006	08.11.1993	62	Metro Vidyut	B.A.
11	Vilas B. Pawar	Manager (Account)	1140006	06.08.2009	61	Everest Developers	B.Com.
12	Bharat M. Shelar	Manager (Accounts)	1140006	15.05.2008	44	Schandon Fashion Pvt Ltd.	B.Com.

None of the Employee is relatives of Directors or Manager or KMP. All Employees are Permanent.

For and On Behalf of the Board of Directors
SADHANA NITRO CHEM LIMITED

ASIT D.JAVERI
EXECUTIVE CHAIRMAN
DIN: 00268114
Place: Mumbai
Date: 10th August, 2021



Annual Secretarial Compliance Report of Sadhana Nitro Chem Limited for the Financial Year ended March 31, 2021

To
The Board of Directors,
Sadhana Nitro Chem Limited
Hira Baug, 1st Floor Kasturba Chowk
(C.P. Tank) Mumbai 400004

We, M/s. MMJB & Associates LLP., Practicing Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by Sadhana Nitro Chem Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the financial year ended March 31, 2021 ("Review Period") in respect of compliance with the provisions of:
 - (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (hereinafter called the "Listing Regulations")
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- d) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- e) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; -
(Not Applicable to the Company during the Audit Period)
- f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(Not Applicable to the Company during the Audit Period)
- h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not Applicable to the Company during the Audit Period)**
- i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (hereinafter called the "PIT Regulations")
- j) 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;

and circulars/ guidelines issued thereunder and also SEBI Circular CIR/CFD/CMD1/114/2019 dated 18/10/2019 regarding Resignation of statutory auditors from listed entities and their material subsidiaries;

and based on the above examination, we hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:

Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
Regulation 17 of the listing regulations.	The Company, falling under top 1000 listed entities based on market capitalisation, failed to appoint independent woman director w.e.f. 1st April, 2020	The Board appointed Ms. Ayesha Patel as an Independent Woman Director w.e.f. 7th December, 2020, before which the composition of the Board was not in compliance with the Regulation from 1st April, 2020 to 6th December, 2020
Regulation 24A of the listing regulations read with SEBI circular no dated 19th March, 2020 and 25th June, 2020	The Company submitted the Annual Secretarial Compliance Report (ASCR) in delay.	The company has submitted the ASCR on 7th August, 2020, which is beyond the prescribed time limit of SEBI Regulation and Covid 19 pandemic circular.
Regulation 30 read with Schedule III of Listing Regulation	Delay in submission of outcome of Board Meeting to Stock Exchange	The Company has submitted the outcome beyond the mandated period of 30 minutes from conclusion of Board Meeting
Regulation 31 of the listing regulations.	Shareholding pattern was filed by the Company later than the stipulated time under the listing regulations.	The shareholding pattern for quarter ended June, 2020 was filed on 22nd July, 2020, beyond the prescribed time limit of SEBI Regulation.
Regulation 47 of the listing regulations.	The Company has not given reference of link of the website in the newspaper.	The Company has not given the reference of the link of the website in the newspaper publication where further details are available.
As per PIT Regulations, the Board of Directors or head of the organisation of every person require to handle unpublished price sensitive information shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number. Such database shall not be outsourced and shall be maintained internally.	The structural digital data base is not updated completely.	The company has maintained the structured digital database and it is in the process of updating the same.
As per SEBI Circular SEBI/HO/ISD/ISD/CIR/P/2020/135 dated 23rd July, 2020 in terms of clause 13 of Schedule B read with Regulation 9 of the PIT Regulations, the listed companies shall promptly inform the Stock Exchange(s) where the concerned securities are traded, regarding violations relating to Code of Conduct under PIT Regulations in such form and manner as may be specified by the Board from time to time.	Non - Reporting of violation related to Code of Conduct to Stock Exchanges.	In one instance Designated Employees of the Company has deviated the Code of Conduct w.r.t. trading during window closure, and the Company is in process of reporting the same to Stock Exchange(s)
As per the SEBI Circular SEBI/HO/ISD/ISD/CIR/P/2020/168 dated 9th September, 2020, the listed entity shall update any change in the designated person(s) with the designated depository on the same day.	Non - Reporting of change to designated depository.	In one instance, the Company has not intimated to the designated depository about the cessation of the designated person.

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under in so far as it appears from our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/guidelines issued thereunder.

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc	Observations/ remarks of the Practicing Company Secretary, if any.
1	BSE Limited	Non-compliance with the requirements pertaining to Regulation 17 of Listing Regulation w.r.t. appointment of independent woman director	BSE has levied a fine of Rs. 9,38,100/- to the Company as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated 22nd January, 2020 Further, the Company has applied for the waiver and BSE by mail dated 25th June, 2021 has waived off the fine of Rs. 5,42,800/-	-

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	As per SEBI (Prohibition of Insider Trading) Regulations, 2015, The board of directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number.	With effect from 1st April, 2019 the Company is required to maintain structured digital database in accordance with the regulation. However, the same is not in place during the year under review.	The Company has maintained SDD and is in the process of updating the same completely.	-
2	As per SEBI Circular SEBI/HO/ISD/ISD/CIR/P/2019/82 dated 19th July, 2019, and in terms of Regulation 9(1) and 9(2) of PIT ((Prohibition of Insider Trading) Regulations, 2015 the Board of Directors of every listed company and the Board of Director or head(s) of the organization of every intermediary and fiduciary are required to formulate a Code of Conduct for designated persons and their immediate relative and monitor its compliance and promptly inform SEBI about any violation of the Code of Conduct in accordance with Clause 13 of Schedule B	In two instances Designated Employees of the Company has done Contra Trade and Trading under Window Closure period, which is a violation of Code of Conduct. The Company is in process of reporting the same to Securities and Exchange Board of India / Stock Exchange	The Company has taken serious steps to avoid any violation to the Code of Conduct under the SEBI Regulations	-

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
3	Regulation 27(2) of SEBI Listing Regulations "The listed entity shall submit a quarterly compliance report on corporate governance in the format as specified by the Board from time to time to the recognised stock exchange(s) within fifteen days from close of the quarter	The Company has not submitted quarterly compliance report on corporate governance to the recognised stock exchange(s) within fifteen days for quarter ended 31st March, 2019 and 30th June, 2019	The causes of delay have been identified and complied and suitable steps have been taken to avoid such delay.	-

For MMJB & Associates LLP Company Secretaries

Bhavisha Jewani
Designated Partner
FCS No. 8503
CP. No. 9346
UDIN: F008503C000556644
Peer Review No.: L2020MH006700
Place: Mumbai
Date: 30th June, 2021


FIVE YEAR HIGHLIGHTS

(Rs. in Lakh)

RESOURCES	2020-21	2019-20	2018-19	2017-18	2016-17
Capital	1397.27	931.51	931.51	931.51	920.08
Reserve	11933.80	11356.20	9544.81	3673.55	159.18
Net Worth	13331.07	12287.71	10476.32	4605.06	1079.26
State Govt. Sales Tax Incentives	0.00	0.00	0.00	0.00	6.54
Other Borrowings	8029.03	4554.21	716.42	1490.74	3551.68
TOTAL	21360.10	16841.92	11192.74	6095.80	4637.48
UTILISATION OF RESOURCES					
Fixed Assets	17305.14	17233.75	14432.11	12458.20	11871.66
Less: Depreciation	8026.23	8167.92	7578.83	7462.98	7303.23
Net Fixed Assets	9278.91	9065.83	6853.28	4995.22	4568.43
Investments	646.70	558.89	527.95	7.78	7.71
Net Current Assets	11434.49	7217.2	3811.51	1092.8	61.34
TOTAL	21360.10	16841.92	11192.74	6095.80	4637.48
Revenue from operations:-					
Sales of Products / Services	8839.77	11711.58	25976.52	10789.92	5745.49
Other operative revenue	167.53	323.41	739.63	302.51	155.04
Other income	421.83	231.59	124.13	22.33	48.10
TOTAL REVENUE	9429.13	12266.58	26840.28	11114.76	5948.63
EXPENDITURE:-					
Cost of Materials consumed / Purchase of Stock in Trade	5342.17	3883.50	9269.41	4191.44	3352.02
Changes in inventories of finished goods, work in progress and stock in trade	(1955.79)	49.78	(2123.46)	(147.12)	(452.30)
Employee Benefit cost	1551.86	1529.28	3027.76	974.87	776.3
Financial cost	340.97	280.61	1187.00	510.29	625.89
Depreciation	575.01	525.53	284.77	188.16	192.21
Other expenses	2279.56	2880.34	4565.03	2569.34	1360.74
TOTAL EXPENDITURE	8133.78	9149.04	16210.51	8286.98	5854.86
Profit /loss before Tax & Exceptional Items	1295.35	3117.54	10629.77	2827.78	93.77
Add : Profit on Sale of Assets / Investment / Exceptional Items	0.00	0.00	0.00	0.00	0.00
Less : Tax Expenses	273.47	767.89	3098.75	(309.19)	0.00
Profit /(Loss) After Tax	1021.88	2349.65	7531.02	3136.97	93.77

**INDEPENDENT AUDITORS' REPORT****To the Members of Sadhana Nitro Chem Limited****Report on the Standalone Financial Statements****Opinion**

We have audited the standalone financial statements of **M/s. Sadhana Nitro Chem Limited ("the Company")**, which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss (Including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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, 2021, its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key Audit Matter	How the matter was addressed in our audit
Revision in terms of Leases due to waivers received and compliance with provisions subsequent measurement of IND-AS 116, "Leases"	
As described in note no. 2.05 to the standalone financial statements, the Company had adopted IND AS 116 Leases (Ind-AS 116) in with effect from 1st April, 2019. Ind-As 116 introduced a new lease accounting model, wherein a lessee is required to recognize a right-of-use (RoU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payment during the lease term as per the contract/arrangement. Adoption of the standard involved significant judgement & estimates including determination of the discount rates. During the year under audit, the company received significant waivers on its lease obligations owing to the Covid-19 pandemic induced lockdowns enforced by various government authorities to curb the spread of the virus. Accordingly as mentioned in note no. 28 to the standalone financial statements, the Company re-valued its lease obligations in accordance with the provisions of Ind-As 116 which resulted in a net reduction in the value of Lease Liabilities.	Our audit procedures on re-evaluation of lease obligations in accordance with IndAS 116 include: <ul style="list-style-type: none"> - Reviewed the correspondence from the Lessors granting waiver in lease rentals during the current financial year including the waiver letters, invoices & credit notes; - Assessed the reasonableness of the discount rates applied in determining the revised lease liabilities & value of right-of-use asset. - Tested the completeness of the lease data by reconciling the Company's operating lease commitments, after taking into consideration the waivers received, to data used in computing RoU asset and the lease liabilities. - Assessed and tested the presentation and disclosures relating to Ind-As 116 including disclosures relating to revaluations & revisions due to waivers received.

Emphasis of Matter

We draw attention to Note 40 to the standalone financial statements regarding the uncertainties arising out of the outbreak of Covid-19 pandemic and the assessment made by the management on its operations and the financial reporting for the year ended 31st March, 2021. Such an assessment and the outcome of the pandemic, as made by the management, are dependent on the circumstances as they evolve in the subsequent periods.

Our opinion is not modified in respect of this matter.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate



in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Act, we report, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company in so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.
 - e. On the basis of the written representations received from the directors as on 31st March, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies



(Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer note 31 to the standalone financial statements.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There has not been any occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. Thus the question of delay in transferring such sums does not arise.

3. With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act read with Schedule V to the Companies Act, 2013.

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm's Registration No. 121142W / W100122

Jayesh Dadia
Partner
Membership No. 033973

Place of Signature: Mumbai
Date: 9th June, 2021
UDIN:21033973AAAABV6702



Annexure A to the Auditors' Report

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the Standalone IND-AS financial statements for the year ended 31st March, 2021, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) Property, plant and equipment have been physically verified by the Management during the year based on a phased program of verifying all property, plant and equipment over three years, which in our opinion is reasonable having regard to the size of the company and the nature of its Assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) In our opinion and according to the information & explanation given to us and based on our examination of the records of the Company, the title deeds of immovable properties, except for the immovable properties mortgaged with the banks, are held in the name of the Company. In case of mortgaged immovable properties, the original title deeds are not available with the Company since the same are mortgaged with banks. However, confirmation for holding of title deeds, from the bank was not made available to us.
- (ii) As explained to us, the inventories have been physically verified during the year by the management, except for stock in transit. The intervals at which the inventories are physically verified are, in our opinion, reasonable in relation to the size of the Company and the nature of its business. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) As informed to us & on the basis of our examination of the books of accounts & other relevant records, the Company has granted loans to two companies covered in the register maintained under section 189 of the Companies Act, 2013.
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans have been granted were not, prima facie, prejudicial to the interest of the Company.
 - (b) According to the information & explanation given to us and based on our examination of the records of the Company, no repayment schedule for principal & interest payments has been stipulated. Therefore, we are unable to comment upon the regularity of repayment of principal & payment of interest.
 - (c) Since the repayment schedule of the loans given has not been stipulated, we are unable to comment as to whether any amount is overdue for period of more than ninety days.
- (iv) In our opinion & according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans given & investments made. The Company has not provided any guarantees / security.
- (v) In our opinion & according to the information & explanation given to us, the Company has not accepted any deposits from the public during the year. Therefore paragraph 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information & explanations provided to us & on the basis of our examination of the books of accounts & other relevant records, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. As explained to us, there were no undisputed statutory dues as mentioned above in arrears as at 31st March, 2021 for a period of more than 6 months from the date they became payable except the following:



Name of Statute	Nature of Dues	Period to which the amount	Amount involved (₹)
Employees Provident Fund and Miscellaneous Provisions Act, 1952	Interest on delayed payment	F.Y. ended March 2013 to June 2018	21,33,270/-
Income Tax Act, 1961	Tax Deducted At Source	F.Y. 2017-18	2,07,939/-
The Gujarat State Tax on Professions, Traders Callings and Employments Act, 1976	Profession Tax	- F.Y. 2017-18 - April'19	16,480/ 13,400/-
Employee's State Insurance	ESIC	April'19	44,459/-

(b) According to the information and explanations given to us, details of disputed statutory dues which have not been deposited or partially deposited are as follows:

Name of the Statute	Nature of Dues	Amount disputed (₹)	Period to which the amount relates (F.Y.)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	55,180/-	2013-14	CIT (Appeals)
Employees Provident Fund and Miscellaneous Provisions Act, 1952	Demurrage of Provident Fund Dues	58,76,715/-	F.Y. ended March, 2013 to June, 2018	Employees Provident Fund Appellate Tribunal

- (viii) In our opinion and according to the information & explanation given to us and based on our examination of the records of the Company, the company has not defaulted in repayment of loans or borrowings to banks or financial institutions. The Company has not taken any loans or borrowings from the Government.
- (ix) According to the information & explanation given to us and based on our examination of the records of the company, the Company has not raised any money by way of initial public offer or further public offer including debt instruments during the year. Further, on an overall basis, the term loans obtained by the Company have been applied for the purpose for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India and to the best of our knowledge and belief and according to the information and explanations given to us, we have neither come across any material fraud by the Company or on the Company by its officers or employees noticed or reported during the year nor have we been informed of such case by the management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information & explanations given to us, the Company is not a Nidhi Company and therefore the compliance requirements relevant to a Nidhi Company are not applicable.
- (xiii) In our opinion and according to the information & explanations given to us and based on our examination of the records of the Company, all transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) In our opinion and according to the information & explanation given to us and based on our examination of the records of the Company, no preferential allotment or private placement of shares or fully or partly convertible debentures has been made by the Company during the year. Accordingly, the Paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information & explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him/her as specified under the provisions of section 192 of the Companies Act, 2013 during the year.
- (xvi) According to the information & explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-1(A) of the Reserve Bank of India Act, 1934 and therefore the provisions of paragraph 3(xvi) of the Order is not applicable.

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm's Registration No. 121142W / W100122

Jayesh Dadia
Partner
Membership No. 033973

Place of Signature: Mumbai
Date: 9th June, 2021
UDIN: 21033973AAAABV6702

**Annexure - B to the Independent Auditor's Report**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") referred to in paragraph 2 (f) on Report on Other Legal and Regulatory Requirements of our report.

Opinion

We have audited the internal financial controls over financial reporting with reference to the standalone financial statements of **Sadhana Nitro Chem Limited ("the Company")** as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, 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.

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 ("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") 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting; assessing the risk that a material weakness exists; and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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.

For Jayesh Dadia & Associates LLP

Chartered Accountants

Firm's Registration No. 121142W / W100122

Jayesh Dadia

Partner

Membership No. 033973

Place of Signature: Mumbai

Date: 9th June, 2021

UDIN: 21033973AAAABV6702



Sadhana Nitro Chem Limited
Standalone Balance Sheet as at 31st March, 2021

Amount in Rs

Particulars		Note	As at March 31, 2021	As at March 31, 2020
A	ASSETS			
I	Non-current assets			
	(a) Property, Plant and Equipment	3	70,10,64,738	75,63,22,396
	(b) Capital work-in-progress	3	22,68,26,397	15,02,64,546
	(c) Financial Assets			
	(i) Investments	4A	7,72,549	7,72,549
	(ii) Loans & Advances	5A	8,94,39,216	6,85,08,169
	(d) Other non current assets	8A	20,49,22,934	4,22,93,713
	Total Non-current assets		1,22,30,25,834	1,01,81,61,373
II	Current assets			
	(a) Inventories	9	59,43,15,438	40,31,59,854
	(b) Financial Assets			
	(i) Current Investments	4B	6,38,95,718	5,51,16,248
	(ii) Trade receivables	10	58,32,20,079	51,52,67,706
	(iii) Cash and cash equivalents	11	10,85,65,784	37,58,983
	(iv) Bank Balances other than (ii) above	12	19,42,034	26,46,660
	(v) Loans & Advances	5B	5,09,83,280	5,08,25,704
	(vi) Other financial assets	6A	11,68,22,653	13,42,22,000
	(c) Other current assets	8B		
	Total Current Assets		1,52,08,85,844	1,16,52,78,985
	TOTAL		2,74,39,11,678	2,18,34,40,358
	EQUITY AND LIABILITIES			
B	I Equity			
	(a) Equity Share capital		13,97,27,235	9,31,51,490
	(b) Other Equity	13	1,19,33,80,130	1,13,56,19,820
	Total Equity	14	1,33,31,07,365	1,22,87,71,310
	Liabilities			
II	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15A	28,01,74,824	2,03,96,871
	(b) Provisions	17a	2,43,65,910	3,96,13,444
	(c) Deferred Tax Liabilities	7	2,91,96,650	2,82,44,161
	(d) Other non-current liabilities	18a	4,05,71,385	4,58,04,672
	Total Non current liabilities		37,42,48,769	13,40,61,148
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15B	52,27,87,971	43,50,22,267
	(ii) Trade payables	19		
	(a) Due to micro & small enterprises		71,25,275	43,55,787
	(b) Due to other than micro & small enterprises		24,60,49,630	20,83,09,260
	(iii) Other financial liabilities	16	8,85,71,215	5,80,40,521
	(b) Provisions	17B	3,87,38,421	2,45,66,368
	(c) Income Tax Liabilities (net)		5,51,20,543	3,22,12,270
	(d) Other current liabilities	18B	8,01,62,490	6,01,01,625
	Total Current liabilities		1,03,65,55,544	82,06,07,900
	TOTAL		2,74,39,11,678	2,18,34,40,358



The accompanying notes are an integral part of the Standalone financial statements. (Refer Notes 1- 42)
As per our report of even date attached

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Registration Number : 121142W/W100122

Jayesh Dadia
Partner
Membership Number : 033973

Mumbai
Date: 09th June, 2021

For and on behalf of the Board of Directors

Asit D Javeri
Executive Chairman

Priyam S Jhaveri
Director

Abhishek A Javeri
Managing Director & CFO

Nitin R Jani
Company Secretary

Smt. Seema A Javeri
Executive Director
Administration


Sadhana Nitro Chem Limited
Statement of Standalone Profit & Loss for the year ended 31st March 2021 Amount in Rs
Audited

	Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
(I)	INCOME			
(II)	Revenue from operations	20	90,07,29,454	1,20,34,99,047
(III)	Other Income	21	4,21,83,232	2,31,58,936
(IV)	Total Income (II + III)		94,29,12,707	1,22,66,57,983
(V)	EXPENSES			
	(a) Cost of raw materials & packing materials consumed	22A	53,42,17,455	38,83,49,554
	(b) Changes in inventories of finished goods and work-in-progress	22B	(19,55,79,166)	49,78,184
	(c) Employee benefits expense			
	(d) Finance costs	23	15,51,85,812	15,29,27,904
	(e) Depreciation and amortization expense	24	3,40,96,691	2,80,60,533
	(f) Other expenses	25	5,75,00,689	5,25,53,265
			22,79,55,776	28,60,33,429
	Total Expenses (a to g) (V)		81,33,77,257	91,49,02,871
(VI)	Profit before exceptional items and tax (IV - V)			
(VII)	Exceptional Items		12,95,35,450	31,17,55,112
(VIII)	Profit Before Tax (VI - VII)		-	-
(IX)	Tax Expense		12,95,35,450	31,17,55,112
	(a) Current tax			
	(b) Mat credit entitlement		2,86,73,000	5,49,00,000
	(c) Deferred tax		-	(1,94,75,406)
			(13,26,133)	1,13,65,460
	Total Tax Expense (a to c) (IX)		2,73,46,867	7,67,90,054
(X)	Profit for the year (VIII - IX)			
(XI)	Other Comprehensive Income/(Expense) (net off tax)			
	(i) Items that will not be re-classified subsequently to profit or loss			
	Re-measurement on defined benefit plans		6,75,391	
	Change in Fair value of Current Investments through other comprehensive income		14,72,082	(9,41,746)
				18,32,682
(XII)	Total Other Comprehensive Income			
(XIII)	Total Comprehensive Income (X + XII)		21,47,473	8,90,936
(XIV)	Earnings per equity share (Rs.)		10,43,36,055	23,58,55,994
	(1) Basic & Diluted (Face Value Rs 1 Per Share [P.Y Rs 5 Per Share])	27	0.73	1.88

The accompanying notes are an integral part of the Standalone financial statements. (Refer Notes 1- 42)
As per our report of even date attached

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Registration Number :121142W/W100122

Jayesh Dadia
Partner
Membership Number : 033973

For and on behalf of the Board of Directors

Asit D Javeri
Executive Chairman

Priyam S Jhaveri
Director

Abhishek A Javeri
Managing Director & CFO

Nitin R Jani
Company Secretary

Smt. Seema A Javeri
Executive Director
Administration

Mumbai
Date: 09th June, 2021

Sadhana Nitro Chem Limited
Statement of Standalone Cash Flows for the year ended March 31, 2021

Particulars	Amount in Rs	
	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash flow from operating activities		
Profit before tax	12,95,35,450	31,17,56,112
Adjustments for:		
Depreciation and amortisation expenses	5,75,00,689	5,25,53,265
Interest on Lease Liability	39,99,575	-
Interest expenses	2,99,51,819	2,80,60,533
Interest received	(1,10,50,826)	(95,15,091)
Unrealised Foreign Exchange (Gain)/Loss	(4,62,690)	-
(Gain) / Loss on Fair Valuation of Forward Contracts	(59,11,339)	58,75,661
Profit on sale Of fixed Assets	(39,93,771)	-
Sundry balance Written back	(1,64,79,755)	(4,89,881)
Reversal of ESOP Expenses	-	(97,06,989)
Provision for Doubtful Debts/ Bad Debts	58,853	8,19,959
Notional Interest & Rent on Deposits	4,783	-
(Gain) / Loss on Fair Valuation of Lease Liability	(29,97,847)	-
Sundry Balances Written back	16,31,834	-
(Gain) / Loss on Fair Valuation of Investments	-	(13,28,648)
	5,22,51,123	6,62,68,809
Operating profit/ (loss) before working capital changes	18,17,86,573	37,80,23,921
Changes in working capital:		
Inventories	(18,35,81,755)	(1,70,29,219)
Trade receivables	(6,16,12,905)	(18,17,39,787)
Loans & Advances	(3,36,554)	(5,28,719)
Other Current Assets & financial assets	73,79,167	53,96,468
Trade Payables	5,46,67,110	(6,26,47,358)
Other Liabilities	1,68,40,826	(5,70,19,449)
Provisions	(10,75,481)	63,89,422
	(16,77,19,492)	(30,71,78,620)
Cash generated from operations	1,40,67,081	7,08,45,300
a.Direct Taxes (Paid)	(57,64,727)	(17,77,61,571)
Net cash flow from / (used in) operating activities (A)	83,02,353	(10,69,16,271)
B. Cash flow from / (used in) investing activities		
Purchase Of Property , plant and equipment	(8,81,68,668)	(22,08,55,137)
Sale of Property , plant and equipment	82,00,000	-
Advance given for Capital Expenditure	(15,40,02,837)	-
Redemption/(investment) in deposits against BG	8,76,477	-
Repayment received for loans given	45,00,000	-
(Acquisition)/Sale of Investment(Net)	(52,56,918)	7,29,166
Loan given to wholly owned subsidiary	(11,26,508)	(6,63,15,984)
Dividend Received	-	4,89,881
Interest received	2,65,569	62,87,706



Sadhana Nitro Chem Limited
Statement of Standalone Cash Flows for the year ended March 31, 2021

Amount in Rs				
Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
Net cash flow from / (used in) investing activities (B)		(23,47,12,883)		(27,96,64,367)
		(23,47,12,883)		(27,96,64,367)
C. Cash flow from / (used in) financing activities				
Long Term Borrowings -Net of Repayment	28,11,97,436		(79,05,257)	
Short Term Borrowings -Net of Repayment	5,72,53,191		39,06,73,052	
Interest Paid	(2,90,58,334)		(2,29,85,497)	
Dividend paid including dividend distribution tax	-		(4,50,09,876)	
Payment towards lease liabilities	(86,51,286)		(1,28,91,785)	
		30,07,43,007		30,18,80,637
Net cash flow from / (used in) financing activities (C)		30,07,43,007		30,18,80,637
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		7,43,32,477		(8,47,00,001)
Cash and cash equivalents at the beginning of the year		(3,94,58,248)		4,52,41,754
Cash and cash equivalents at the end of the year		3,48,74,229		(3,94,58,248)
Cash and Cash equivalent as per above comprises of the following				
Cash and cash equivalent as per Note 11				
- cash in hand		1,17,591		1,70,830
-Balances with Banks (on current accounts)		10,84,48,194		35,88,153
		10,85,65,785		37,58,983
- Bank overdraft / cash credit (Note 15B)		(7,36,91,560)		(4,32,17,231)
Balance as per statement of cash flows		3,48,74,229		(3,94,58,248)
Figures in brackets represent outflows				

Notes:

1.The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

2.Addition to property , plant and equipment include movements of capital work progress during the year.

In terms of our report attached

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Registration Number :121142W/W100122

Jayesh Dadia
Partner
Membership Number : 033973

Mumbai
Date: 09th June, 2021

For and on behalf of the Board of Directors

Asit D Javeri
Executive Chairman

Priyam S Jhaveri
Director

Abhishek A Javeri
Managing Director & CFO

Nitin R Jani
Company Secretary

Smt. Seema A Javeri
Executive Director
Administration

Sadhana Nitro Chem Limited
Standalone Statement of Changes in Equity for the year ended 31st March, 2021

A)	
Equity Share Capital	
Balance As At 01.01.2019	9,31,51,490
Change in equity Share Capital during the Year	-
Balance at March 31, 2020	9,31,51,490
Issue of Bonus Shares (4,65,75,745 No. of shares of Rs. 1 Each)	4,65,75,745
Balance at March 31, 2021	13,97,27,235

B) Change in Other Equity

Particulars	Equity Share Capital Subscribed	General reserve	Capital Redemption Reserve	Capital reserve	Transition reserve	Securities Premium	Employee Share Based Payment Reserve	Retained earnings	Other Equity	Total Equity
Balance as at April 1, 2019	9,31,51,490	13,33,29,906	9,65,00,000	93,681	8,84,49,427	93,76,727	97,06,989	61,70,23,980	95,44,80,690	1,04,76,32,180
Profit for the year	-	-	-	-	-	-	-	23,49,65,058	23,49,65,058	23,49,65,058
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	-	-	8,90,936	8,90,936	8,90,936
Total comprehensive income	-	-	-	-	-	-	-	23,58,55,994	23,58,55,994	23,58,55,994
Addition During The Year	-	-	-	-	-	-	-	-	-	-
Dividend including dividend distribution tax	-	-	-	-	-	-	-	-	-	-
Reversal of ESOP expenses recognized earlier due to cancellation	-	-	-	-	-	-	(97,06,989)	(4,50,09,876)	(4,50,09,876)	(4,50,09,876)
Balance as at March 31, 2020	9,31,51,490	13,33,29,906	9,65,00,000	93,681	8,84,49,427	93,76,727	-	80,78,70,078	1,13,56,19,619	1,22,87,71,309

b) Other Equity									
Particulars	Equity Share Capital Subscribed	General reserve	Capital Redemption Reserve	Capital reserve	Transition reserve	Securities Premium	Employee Share Based Payment Reserve	Retained earnings	Total Equity
Balance as at April 1, 2020	9,31,51,490	13,33,29,906	9,65,00,000	93,681	8,84,49,427	93,76,727	-	80,78,70,078	1,22,87,71,309
Profit for the year	-	-	-	-	-	-	-	10,21,88,583	10,21,88,583
Issue of Bonus shares	4,65,75,745	-	(3,71,99,018)	-	-	(93,76,727)	-	(4,85,75,748)	-
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	-	-	21,47,474	21,47,474
Total comprehensive income	-	-	-	-	-	-	-	10,43,36,056	10,43,36,056
Balance as at 31st March 2021	13,97,27,235	13,33,29,906	5,93,00,982	93,681	8,84,49,427	-	-	92,22,06,134	1,33,31,07,965

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Registration Number : 121142WW/100122
Jayesh Dadia
Partner
Membership Number : 033973
Mumbai
Date: 09th June, 2021

For and on behalf of the Board of Directors
Asit D. Javeri
Executive Chairman

Priyam S. Jhaveri
Director

Abhishhek A. Javeri
Managing Director & CFO

Nitin R. Jani
Company Secretary

Smt. Seema A. Javeri
Executive Director
Administration



Sadhana Nitro Chem Limited
Notes to Standalone financial statements for 31st March, 2021

1. CORPORATE INFORMATION

The Company was incorporated on July 21, 1973. The Company is engaged in Manufacturing of chemical intermediates, heavy organic chemicals and performance chemicals and wireless network equipment and services. As on 31st March 2021 Manekchand Panachand Trading Investment Company Pvt Ltd, holding company owned 63.99% of the company's equity share capital. The Company's registered office is located at Mumbai, Maharashtra India and manufacturing facility is located at Roha, Raigad District, Maharashtra, India. The company shares are listed in Bombay Stock Exchange (BSE)

2. SIGNIFICANT ACCOUNTING POLICIES:

2.01 Statement of Compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

These standalone financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual report date, March 31, 2021. These standalone financial statements were authorized for issuance by the Company's Board of Directors on June 09, 2021.

2.02 Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price which that would be received or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.03 Use of estimate

"The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of Fair valuation of financial instruments, useful lives of property, plant and equipment, valuation of deferred tax Assets & liabilities and provisions and contingent liabilities."

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets & Liabilities

The Company reviews the carrying amount of deferred tax assets & Liabilities at the end of each reporting period. The policy for the same has been explained under Note 2.10.

Provisions and contingent liabilities

"Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to unwinding of discount over passage of time is recognized as finance cost. Provisions are reviewed at the each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. A provision for onerous contracts is recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the company recognizes any impairment loss on the assets associated with that contract."



"A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements."

Fair value measurements and valuation processes

Some of the company's assets and liabilities are measured at fair value for financial reporting purposes. The company has obtained independent fair valuation for financial instruments wherever necessary to determine the appropriate valuation techniques and inputs for fair value measurements. In some cases the fair value of financial instruments is done internally by the management of the Company using market-observable inputs.

"In estimating the fair value of an asset or a liability, the company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the company engages third party qualified valuers to perform the valuation. The qualified external valuers establish the appropriate valuation techniques and inputs to the model. The external valuers report to the management of the Company their findings for every reporting period to explain the cause of fluctuations in the fair value of the assets and liabilities. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes no 29."

2.04 Revenue Recognition

i. Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch/ delivery of goods based on contract with customers.

Revenue is measured on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives and returns, if any, as specified in the contracts with customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discount/ incentive and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and arrangements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

The Company has adopted Ind AS 115 Revenue from Contract with Customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with its customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

ii. Other Income

a. Dividend income from investments is recognised when the shareholder's right to receive payment has been established which is when the shareholders approve the dividend. (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

b. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.05 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

"Company as a lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss. The Company measures the lease liability at the

present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term."

2.06 Foreign Currency Transactions & Translations

"The functional currency of the Company is Indian rupee. Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date. Exchange rate differences resulting from foreign currency transactions settled during the period including year-end translation of assets & liabilities are recognised in the statement of profit and loss. Non-monetary assets which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of initial transaction."

Changes in fair value of forward contracts designated as fair value hedge are recognised in the statement of profit and loss.

2.07 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Capitalization of borrowing cost is suspended and charges to the statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.08 Government grants

"(i) Government grants in respect of manufacturing units located in developing regions :The Company is entitled to various incentives from government authorities in respect of manufacturing units located in developing regions. The Company accounts for its entitlements on accrual basis on approval of the initial claim by the relevant authorities and there is reasonable assurance that the grants will be received."

"(ii) Government grants in respect of additional Capital Expenditures :Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets is accounted for as deferred income. The grant is recognised as income over the life of a depreciable asset by accounting deferred income in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset."

"(iii) Export Incentives Export incentives under various schemes are accounted for in the year of export."

2.09 Employee benefits

"(1) Defined Contribution Plan:

Payments to defined contribution retirement benefit schemes viz. Company's Provident Fund Scheme and Superannuation Fund are recognised as an expense when the employees have rendered the service entitling them to the contribution."

"(2) Defined Benefit Plan:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur."

"Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- * service cost (including current service cost, past service cost, as well as gains and losses on curtailments and

settlements);
 • net interest expense or income; and
 • remeasurement."

(i) Gratuity:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15/26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation. The Company has taken a Group Gratuity cum Life Assurance Scheme with Life Insurance Corporation for future payment of gratuity to the eligible employees.

(ii) Compensated Absences: The Company provides for the encashment of compensated absences with pay subject to certain rules. The employees are entitled to accumulate compensated absences subject to certain limits, for future encashment. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit and the accumulated leave expected to be carried forward beyond twelve month is treated as long-term employee benefit which are provided based on the number of days of un utilised compensated absence on the basis of an independent actuarial valuation.

2.10 Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax expense represents the sum of the tax currently payable and deferred tax.

"Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period."

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis

Taxes Paid include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as advance tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

"Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction."

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.11 Property, Plant and Equipment

Property, plant and equipment held for use in production or supply of goods or services or for administrative purposes are stated at cost less accumulated depreciation/amortization less accumulated impairment, if any. The cost of fixed assets

comprises its purchase price net of any trade discounts and rebates; any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use.

Depreciation is recognized (other than on capital work-in-progress) on a straight line basis over the estimated useful lives of assets in respect of property plant & equipment & computers acquired after 1st April 2006. Property plant & equipment including non factory building furniture fixtures & vehicles acquired prior to 1st April 2006 are depreciated under WDV Method at the rates prescribed under Schedule II of Companies Act, 2013. Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement. The economic useful lives of assets is assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part.

Freehold land is not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

2.12 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized on a straight line basis over their estimated useful lives of 5 years, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, the amortization method and the amortization period are reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the profit or loss when the asset is derecognised.

2.13 Impairment of tangible and intangible assets other than goodwill:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit and loss.

2.14 Inventories

Inventories of raw materials, stock-in-trade, stores & spares, Fuel, packing material, work in progress, stock in trade and finished goods are valued at the lower of cost and net realizable value after providing for obsolescence and other losses.

where considered necessary. 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 and all others are valued on a FIFO basis.

2.15 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

"Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage."

"Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

"Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

"Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss."

"Investment in subsidiaries

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements."

"Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method."

"Financial guarantee contracts:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by a holding company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of :• The amount of loss allowance determined in accordance with impairment requirements of IND AS 109; and• The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of IND AS 18."

"Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost."

"Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the

reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest."

"Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously."

2.16 Earnings Per Share (EPS)

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

2.18 Current/Non-Current Classification

"The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria: - It is expected to be realized or intended to be sold or consumed in normal operating cycle - It is held primarily for the purpose of trading - It is expected to be realized within 12 months after the date of reporting period, or - Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting period."

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

"A liability is current when it satisfies any of the following criteria: - It is expected to be settled in normal operating cycle - It is held primarily for the purpose of trading - It is due to be settled within 12 months after the reporting period, or - There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period Current liabilities include the current portion of long term financial liabilities. The Company classifies all other liabilities as non-current."

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

2.19 Share Capital

"Ordinary Shares Ordinary shares are classified as equity. Incremental costs, if any, directly attributable to the issue of ordinary shares are recognized as a deduction from other equity, net of any tax effects."

2.20 Fair Value Measurement

"Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either: - in the principle market for the asset or liability - in the absence of principle market, in the most advantageous market for the asset or liability. The principle or the most advantageous market must be accessible by the Company."

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

"All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:- Level 1 – Quoted (Unadjusted) Market prices in active markets for identical assets or liabilities- Level 2 –Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable- Level 3 – Valuation Techniques for which the lowest level input that is significant to the fair value measurement is unobservable"

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines

whether transfers that have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Determination of Fair Value

"1) Financial Assets - Debt Instruments at amortized cost

After initial measurement the financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR."

"2) Financial Assets - Debt Instruments at Fair Value through Other Comprehensive Income (FVTOCI)

Measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L."

"3) Debt instruments & derivatives at Fair Value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL."

"4) Equity Instruments at Fair Value through Other Comprehensive Income

On initial recognition, the Company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognized in other comprehensive income. This cumulative gain or loss is not reclassified to profit or loss on disposal of the investments."

"5) Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit & loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments."

"Subsequent Measurement

Fair value through Profit & Loss

Financial liabilities at fair value through profit & loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. All changes in fair value of such liabilities are recognised in statement of profit or loss. Loans and Borrowings After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as finance costs in the statement of profit and loss."

2.21 Dividend

Dividend on share is recorded as liability on the date of approval by the shareholders and is shown as a reduction from retained earnings under Other Equity.

2.22 Segment Reporting

"The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities"."

Sadhana Nitro Chem Limited
Notes forming part of the financial statements for 31st March 2021

Note 3: Property, Plant and Equipment

(Amount in Rs.)

Particulars	Freehold Land	Factory Buildings	Non factory Buildings	Plant & Equipment [Refer Footnote (i), (ii)]	Furniture & Fixtures	Computers	Vehicles [Refer Footnote (iii)]	Software	Right to use of assets	Lease Office	Total	Capital work-in-progress [Refer Foot Note (ii)]
Gross Carrying amount												
Balance as at April 1, 2019	16,51,44,000	5,79,99,642	49,54,370	45,37,33,724	16,93,994	37,37,210	4,87,44,591	-	-	-	73,59,07,521	1,55,43,597
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	16,51,44,000	5,79,99,642	49,54,370	45,37,33,724	16,93,994	37,37,210	4,87,44,591	-	-	-	73,59,07,521	1,55,43,597
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Disposals (Refer Foot Note iii)	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation due to change in lease terms (Refer Foot Note iv)	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	16,51,44,000	5,79,99,642	49,54,370	45,37,33,724	16,93,994	37,37,210	4,87,44,591	-	-	-	73,59,07,521	1,55,43,597
Accumulated Depreciation												
Balance as at April 1, 2019	-	68,94,392	10,06,058	5,48,43,319	4,11,222	22,33,405	9,34,549	-	-	-	6,61,22,945	-
Depreciation for the Year	-	27,81,430	3,76,574	3,09,33,995	1,98,845	7,00,269	62,24,594	5,50,000	1,01,50,069	6,37,399	5,25,53,265	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	-	96,75,822	13,82,632	8,57,77,314	6,09,567	29,33,674	71,59,433	5,50,000	1,01,50,069	6,37,399	11,86,76,210	-
Additions (Depreciation for the Year)	-	25,99,783	5,87,892	3,35,56,222	2,59,075	9,98,768	62,22,476	22,00,000	1,04,39,073	6,37,430	5,75,00,689	-
Disposals (Refer Foot Note iii)	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	-	1,20,75,605	19,70,524	5,81,07,257	8,68,942	39,32,442	1,33,81,909	27,50,000	2,05,89,142	12,74,799	11,49,50,620	-
Net carrying amount												
Balance as at March 31, 2020	16,51,44,000	5,15,65,770	1,03,54,074	42,58,49,018	25,89,137	34,08,815	4,15,85,158	1,04,50,000	4,28,08,828	25,49,596	75,03,22,386	15,02,64,546
Balance as at March 31, 2021	16,51,44,000	4,39,85,987	1,74,78,363	38,35,44,438	23,30,062	32,72,985	3,53,62,682	82,50,000	3,47,84,025	19,12,196	70,10,64,738	22,68,26,397

Foot Notes

(i) Plant & Equipment includes Office Equipments

(ii) Refer Note 15(a)(b) & (d) for information on Property plant & equipment pledged as security by the company.

(iii) During the year ended March 31, 2021, The Wireless Network Equipment, Services Division of the company has converted a significant portion of its plant & equipment in to stock in trade at book value of Rs 75,73,829/- . The impact of the same has been given

in the above note as disposal of assets during the year. the corresponding impact has resulted in increase of wireless network equipment as at March 31, 2021

(iv) During the year ended March 31, 2021 the company has received significant waivers in lease rentals due to lockdown imposed by the Central & state Governments owing to the spread of the Covid-19 pandemic. Accordingly the Company has revalued its lease

obligations after considering the waivers received and recomputed the value of its lease liabilities and right of use assets. This has resulted in a reduction in the value of the right of use assets by an amount of Rs. 40,21,760


Sadhana Nitro Chem Limited
Notes forming part of the financial statements for 31st March 2021
Note 4 A: Investments
(Amount in Rs.)

Sr. No	Particular	Face Value	March 31,2021		March 31,2020	
			Holdings As At	Rs	Holdings As At	Rs
(i)	Non Current Investments					
	Investment in equity instruments (Fully paid up)					
	Subsidiaries(at cost)					
	Unquoted					
	Anuchem B.V.B.A- Belgium Spidigo Net Private Ltd (Refer Note iv below) Strix Wire Less Systems Pvt Ltd Less: Provision for decline other than temporary , in value of non current investments	Euro 25 Rs 10	750 10,000	7,71,549 1,000	750 10,000	7,71,549 1,000
	Total (A)			772,549		772,549
(ii)	Other Investments (At fair value through other comprehensive income)					
	Quoted					
	Anco Communication Ltd	Rs 10	500	71,788	500	71,788
	Enarai Finance Ltd	Rs 10	3,900	78,000	3,900	78,000
	Indian Extractions Ltd	Rs 10	18,000	508,194	18,000	508,194
	Indo-biotech Ltd	Rs 10	5,000	191,250	5,000	191,250
	Firstobject Technologies Ltd	Rs 10	2,000	81,400	2,000	81,400
	Maxworth orchards Ltd	Rs 10	1,300	13,000	1,300	13,000
	Ojas Technochem Products Ltd	Rs 10	5,000	131,495	5,000	131,495
	Less: Provision for decline other than temporary , in value of non current investments		35,700	10,75,127	35,700	10,75,127
	Total (B)			-		-
	Total (A+B)			7,72,549		7,72,549
	Footnotes:					
	(i) Aggregate cost of quoted investments			10,75,127		10,75,127
	Aggregate market value of quoted investments			-		-
	(ii) Aggregate value of unquoted investments			772,549		772,549
	(iii) Aggregate amount of impairment in value of investments			10,75,127		10,75,127
	(iv) During the financial year March 31, 2019, the company has acquired the entire share Capital of Spidigo Net Pvt Ltd. As a result Spidigo Net Pvt Ltd. has become its wholly owned subsidiary with effect from March 11, 2019.					

Note 4 B: Current Investments
(Amount in Rs.)

Sr. No	Particular		March 31,2021		March 31,2020	
			No. of Units	Rs	No. of Units	Rs
(i)	Investments measured at fair value through other comprehensive income					
	In Mutual Funds					
	Quoted					
	L & T Long Duration Growth		12,98,141	2,67,69,275	12,98,141	2,78,77,992
	HDFC Long Duration Growth		6,62,552	2,98,21,522	6,62,552	2,72,38,256
	Aditya Birla Sun Life Low Duration Fund		10,245	52,85,921	-	-
	Total			6,38,96,718		5,51,16,248
	(i) Aggregate cost of quoted investments			5,52,56,918		5,00,00,000
	Aggregate market value of quoted investments			6,38,96,718		5,51,16,248

Sadhana Nitro Chem Limited

Notes forming part of the financial statements for 31st March 2021

Note 5 - Loans

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
A	Non Current Loans (Unsecured Considered Good , unless otherwise stated)		
(i)	Subsidiary company	8,77,68,324	6,63,15,983
(ii)	Loan to staff	16,70,892	21,92,186
	Total	8,94,39,216	6,85,08,169
(i)	Loans to related parties comprise loans to the following Wholly Owned subsidiaries Spidigo Net Private Limited Maximum amount outstanding during the year	8,77,68,324 8,77,68,324	6,63,15,983 6,63,15,983
B	Current Loans (Unsecured Considered Good , unless otherwise stated)		
(i)	Others*	11,39,679	2,81,831
	Total	11,39,679	2,81,831
	* Others include Salary Advance	90,781	35,989
	Total	90,781	35,989

Note 6A - Other financial assets

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
A	Current Financial Assets (Considered Goods)		
(i)	Inter corporate Deposits(Refer Note (i) Below)	4,00,00,000	4,45,00,000
(ii)	Interest on Inter Corporate Deposits	1,02,00,301	60,61,192
(iii)	Interest Accrued on Bank Deposits	11,713	8,736
(iv)	other receivable	7,71,247	2,55,776
	Total	5,09,83,260	5,08,25,704

Footnotes:

(i) Includes secured Inter Corporate Deposits of Rs 4 Crores.

Note No. 7 - Deferred tax Liabilities/(Asset) (Net)

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Deferred Tax Liability		
(ii)	Depreciation on fixed assets	4,55,96,851	4,75,80,848
	Fair Valuation	20,51,470	13,64,620
	Gross Deferred Tax Liability (1)	4,76,48,321	4,89,45,468
(i)	Deferred Tax Asset		
(ii)	Employee Benefit obligations	(1,66,27,810)	(1,86,89,161)
	Other disallowable expenses	(18,23,861)	(20,12,146)
	Gross Deferred Tax Asset (2)	(1,84,51,671)	(2,07,01,307)
	Net Deferred Tax Liability/(Asset) (1-2)	2,91,96,650	2,82,44,161



Sadhana Nitro Chem Limited
Notes forming part of the financial statements for 31st March 2021

For the year ended March 31, 2021	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred Tax Liability				
Plant Property Equipment	4,75,80,848	(19,83,997)	-	4,55,96,851
Fair Valuation	13,64,620	(13,64,620)	20,51,470	20,51,470
Gross Deferred Tax Liability(1)	4,89,45,468	(33,48,617)	20,51,470	4,76,48,321
Deferred Tax Asset				
Employee Benefit obligations	(1,86,89,161)	18,34,199	2,27,152	(1,66,27,810)
Other Disallowable Expenses	(20,12,146)	1,88,285	-	(18,23,861)
Gross Deferred Tax Asset(2)	(2,07,01,307)	20,22,484	2,27,152	(1,84,51,671)
Net Deferred Tax Liability/(Asset) (1-2)	2,82,44,161	(13,26,133)	22,78,622	2,91,96,650

Note 8 - Other Assets

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
A.	Non Current Assets		
(i)	Capital advance	18,37,08,757	2,97,05,921
(ii)	Security Deposits with Public Bodies and others	2,12,14,177	1,19,95,020
(iii)	Balance with Statutory/Revenue Authorities	-	5,52,159
(iv)	Prepaid Expenses	-	40,613
	Total	20,49,22,934	4,22,93,713
B	Current Assets		
(i)	Balance with Statutory/Revenue Authorities	9,63,96,267	9,47,54,832
(ii)	Advance to Vendor	1,25,23,375	3,61,32,065
(iii)	Prepaid Expenses	79,03,211	33,35,103
	Total	11,68,22,853	13,42,22,000

Note - 9 : Inventories (At lower of cost and net realisable value)

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
	Valued & certified by the Management		
(i)	Raw materials (Include Packing Materials Rs 17,79,825/- (P.Y Rs. 16,48,644)	1,73,62,325	3,85,23,881
(ii)	Work-in-progress	14,24,69,336	12,00,11,730
(iii)	Finished Goods	37,49,93,428	19,42,98,447
(iv)	Goods in Transit (Raw Material)	32,08,276	-
(v)	Stores & Spares	5,54,81,254	4,91,98,388
(vi)	Others(Fuel etc.,)	8,00,819	11,27,407
	Total	59,43,15,438	40,31,59,854

Footnotes:

(i) Refer Note no. 15C(d) for information on Inventories mortgaged as security for borrowings.

Note No. 10 - Trade receivables

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Unsecured		
	Considered good		
	O/s more than six months	30,76,55,015	26,51,75,239
	Others	27,31,05,188	24,76,32,592
(ii)	Considered doubtful	32,79,834	32,79,834
		58,40,40,037	51,60,87,665
	Less : Allowance for doubtful debts	(8,19,959)	(8,19,959)
	Total	58,32,20,079	51,52,67,706



Sadhana Nitro Chem Limited

Notes forming part of the financial statements for 31st March 2021

Footnotes:

1. Trade receivables are dues in respect of goods sold in the normal course of business.
2. The normal credit period allowed by the company ranges from 60 to 90 days.
3. Trade receivables include receivables from related parties: Rs. 27,75,07,833 /- and Maximum Amount Outstanding Rs 27,85,07,832 (March 31, 20 - Rs 24,93,64,736/- and Maximum amount Outstanding Rs 34,37,90,850)
4. Refer Note no 15C(d) for information on Trade Receivables mortgaged as security for borrowings .5. Refer note no 26(i) for Credit Risk

Note - 11 : Cash and Cash Equivalents

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Cash in hand	1,17,591	1,70,830
(ii)	Balance with bank — in current account	10,84,48,194	35,88,153
	Total	10,85,65,784	37,58,983

Note - 12 : Other Bank Balances

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Call and short term deposit accounts Deposits with original Maturity <12 Months [Refer note (i) below]	12,99,778	21,76,255
(ii)	Dividend Accounts	6,42,256	4,70,405
	Total	19,42,034	26,46,660

Footnotes:

- (a) Deposits with carrying amount of Rs 12,99,778 (March 31, 2020 - Rs 21,76,255) are subject to first charge against bank guarantees.

Note 13 : Equity Share Capital

(Amount in Rs.)

Particulars	March 31, 2021	March 31, 2020
Authorised Capital: 21,50,00,000 Equity Shares of Rs.1/- each (March 31, 2020: 10,50,00,000 Equity Shares of Rs 1/- each & 1,10,00,000 Preference shares of Rs: 10/- each) (Refer note no (i) below)	21,50,00,000	21,50,00,000
	21,50,00,000	21,50,00,000
Issued Subscribed & Paid up: 13,97,27,233 Equity Shares of Rs.1/- each fully paid (Refer note no (ii) below) (March 31, 2020: 9,31,51,490 Equity Shares of Rs 1/- each) (Refer note no (ii) below)	13,97,27,235	9,31,51,490
Total	13,97,27,235	9,31,51,490

Footnotes:

- (i): During the year ended 31st March, 2021, the Company has issued and allotted 4,65,75,745 equity shares of Rs. 1/- each to eligible shareholders of equity shares on the book closure date (i.e. 18th September, 2020) as fully paid up bonus equity shares by capitalizing reserves.

- (ii) - Sub - division of Equity shares : On 17th March, 2020, pursuant to a approval of the members in the extra ordinary general meeting, the Company sub divided the equity shares of the face value of Rs 5/- to share of the value of Rs 1/- per share. Unless otherwise noted, impacted amounts and share information included in the financial statements relating to authorised, issued and-subscribed capital have been adjusted for the subdivision.



Sadhana Nitro Chem Limited
Notes forming part of the financial statements for 31st March 2021

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	March, 31 2021		March 31, 2020	
	Equity Share		Equity Share	
	No. of Shares	Amount	No. of Shares	Amount
Equity				
No of shares outstanding at the beginning of the year	9,31,51,490	9,31,51,490	1,86,30,298	9,31,51,490
Add: Additional shares issued during the year year	-	-	-	-
Add: Increase on account of shares sub -divided during the year (Refer Note no (ii) above)	-	-	7,45,21,192	-
Add : Bonus Issue in the ratio of 2:1	4,65,75,745	4,65,75,745	-	-
Less: Shares forfeited/Bought back during the year	-	-	-	-
No of shares outstanding at the end of the year	13,97,27,235	13,97,27,235	9,31,51,490	9,31,51,490

(b) Terms/Rights attached to Equity shares:

The company has only one class of equity shares having at par value of Rs. 1/- (PY Rs. 1/-) 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.

(c) Shareholders holding more than 5% shares in the Company :

Particulars	March, 31 2021		March 31, 2020	
	Equity Share		Equity Share	
Equity Shares of Rs. 1/- each (P.Y.Rs. 5/-) fully paid	No. of Shares	% of Holding	No. of Shares	% of Holding
Manekchand Panachand Trading Investment Co.Pvt.Ltd	8,94,09,165	63.99	5,96,06,110	63.99
Asit Javeri	83,51,953	5.98	55,67,510	5.98

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares

(d) Equity Shares in the entity held by holding company:

Particulars	March, 31 2021		March 31, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Manekchand Panachand Trading Investment Co.Pvt.Ltd	89409165	63.99	5,96,06,110	63.99



Sadhana Nitro Chem Limited
Notes forming part of the financial statements for 31st March 2021

Note 14 : Other Equity
(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
	Reserves and Surplus		
(i)	Capital Reserve		
	Opening and Closing balance	93,681	93,681
	Additions	-	-
	Closing balance	93,681	93,681
(ii)	Capital Redemption Reserve		
	Opening balance	9,65,00,000	9,65,00,000
	Less: Utilized for issued of Bonus shares	(3,71,89,018)	-
	Closing balance	5,93,00,982	9,65,00,000
(iii)	Securities Premium Account		
	Opening balance	93,76,727	93,76,727
	Less: Utilized for issued of Bonus shares	(93,76,727)	-
	Closing balance	-	93,76,727
(iv)	Retained Earnings		
	Opening balance	80,78,70,078	61,70,23,960
	Profit for the year	10,21,88,583	23,49,65,058
	Other Comprehensive Income for the year, net of income tax	21,47,473	8,90,936
	Total comprehensive income	10,43,36,055	23,58,55,964
	Adjustment on account of amalgamation (Refer Note No 35 (vi))	-	-
	a) Balance in Statement of Profit and Loss of Transferor Company	-	-
	b) Surplus being the difference between share capital of transferor company and investment of the company	-	-
	Dividend including dividend distribution tax	-	(4,50,09,676)
	Closing balance	91,22,06,134	80,78,70,078
(v)	Transition Revaluation Reserve		
	Opening balance	8,84,49,427	8,84,49,427
	Add: Additions	-	-
	Closing balance	8,84,49,427	8,84,49,427
(vi)	General Reserve		
	Opening balance	13,33,29,906	13,33,29,906
	Closing balance	-	-
		13,33,29,906	13,33,29,906
(vii)	Employee Share Based Payment reserve (Refer Note No 30)		
	Opening balance	-	97,06,989
	Add: Additions	-	-
	Reversed on cancellation of ESOP	-	(97,06,989)
	Closing Balance	-	-
	Total	1,19,33,80,130	1,13,56,19,820

Capital Reserve :

Capital Reserve is utilised in accordance with the provisions of the Act.

Capital Redemption Reserve

Capital redemption reserve represents reserve created on redemption of preference shares. It is non distributable reserve. During the year ended March 31, 2021 the company has utilised the part of the reserve towards issued of bonus shares

Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. This reserve is utilised in accordance with the provisions of the Act. During the year ended March 31, 2021 the company has utilised the whole of the reserve towards issued of bonus shares



Sadhana Nitro Chem Limited
Notes forming part of the financial statements for 31st March 2021

Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. This reserve is utilised in accordance with the provisions of the Act. During the year ended March 31, 2021 the company has utilised the whole of the reserve towards issued of bonus shares.

Retained Earnings

The amount that can be distributed by the company as dividend to its equity shareholders.

Transition Revaluation Reserve

Transition Reserve represents reserve created on transition from Accounting Standards to Ind AS.

General Reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriation purpose.

Note - 15 : Borrowings**(Amount in Rs.)**

Sr. No	Particulars	March 31, 2021	March 31, 2020
A	Long Term Borrowings		
(a)	Secured Borrowings:		
(i)	Term loan - Bank (Refer Note 15C(a) below)	1,06,87,586	1,53,28,980
(ii)	Term Loan - Others (Refer Note 15C(b) below)	29,86,57,819	1,28,18,990
	Less :Current Maturity of Long term borrowings disclosed under the head other financial liabilities (Refer Note 16(i))	30,93,45,405 2,92,30,581	2,81,47,970 77,49,099
	Balance	28,01,14,824	2,03,98,871
	Total	28,01,14,824	2,03,98,871
B	Short Term Borrowings		
(a)	Secured Borrowings:		
(i)	Working Capital Loan from Banks denominated in [Refer Note (c)(i) and (ii)]		
	Foreign Currency	40,65,05,751	37,99,24,879
	Indian Currency	7,36,91,560	4,32,17,231
(b)	Unsecured Borrowings		
(i)	Inter Corporate Deposit (Refer note (d) below)	1,00,00,000	34,82,499
(ii)	Loan From Director	3,25,90,660	83,97,858
	Total	52,27,87,971	43,50,22,267

C Footnotes:

- a Term loan from a bank is secured by charge on motor vehicles. Refer Note (f) below for terms of repayment, rate of interest etc.
- b Term loans - others are secured by charge on motor vehicles, plant and machinery, residential property situated at Roha, Raigad, Maharashtra and charge by way of lien on debt mutual fund of Rs. 52.86 lacs. Charge is yet to be registered in respect of two motor vehicles. Refer Note (f) below for terms of repayment, rate of interest etc.
- c (i) The company has foreign currency working capital facilities from a Bank at interest rate of libor plus 4.25% pa. These facilities are secured by exclusive charge on present and future stocks and book debts, exclusive charge on entire plant and machinery, charge by way of pledge on debt mutual funds of Rs 586.11 lacs. Further secured by personal guarantee of Chairman and Managing Director and Corporate Guarantee of Holding Company.
- (ii) Further, the Company has working capital facilities in Indian currency from a bank carrying interest rate ranging between 5.76% to 12.00 % p.a. These facilities are repayable on demand, secured by way of first pari passu charge on the present and future current assets of the company, second pari passu charge on entire movable and immovable fixed assets of the company, present and future at plot no 47, MIDC, Roha Industrial Area, Raigad District - 402116 and further secured by personal guarantee of Chairman and Managing Director of the company.
- d Inter Corporate Deposits are carrying interest rate of 15% and repayable on or before April 2022.



Sadhana Nitro Chem Limited
Notes forming part of the financial statements for 31st March 2021

Footnotes 15C Continued..

(e) Terms of repayment

Term Loan - Banks

(Amount in Rs.)

Particulars	Rate of Interest	Year of Maturity	March 31,2021			March 31,2020	
			No of Installments Left	Year of Maturity	Amount Outstanding as at March 31, 2021	No of Installments Left	Amount Outstanding as at March 31, 2020
Bank Name							
HDFC BANK	8.50%	2023-24	26	2023-24	9,77,143.91	38	13,71,064
HDFC BANK	8.50%	2023-24	26	2023-24	9,77,143.91	38	13,71,064
HDFC BANK	8.25%	2022-23	24	2022-23	45,01,683.00	36	64,88,055
HDFC BANK	8.25%	2022-23	24	2022-23	42,31,615.52	36	60,98,797
			Total		1,06,87,586	Total	1,53,28,980
			Less :Current maturity of long term borrowings shown in current liabilities		50,43,574		42,47,473
			Balance		5,644,012		11,081,507
Term Loan - Others							
Financial institution							
Hero Fincorp Ltd	12.75%	2022-23	18	2022-23	11,38,736	30	17,06,152
Hero Fincorp Ltd	12.75%	2022-23	18	2022-23	11,21,508	30	16,79,341
Hero Fincorp Ltd	12.75%	2022-23	21	2022-23	9,31,400	33	13,20,397
Kotak Mahindra Prime Ltd	9.15%	2023-24	35	2023-24	31,89,741	47	40,56,550
Kotak Mahindra Prime Ltd	9.15%	2023-24	35	2023-24	31,89,741	47	40,56,550
Aditya Birla Finance Ltd.	10.50%	2030-31	119	2030-31	12,90,86,693	-	-
Bajaj Finance Ltd	9.75%	2026-27	48	2026-27	10,00,00,000	-	-
North Arc Capital Ltd	14.00%	2024-25	36	2024-25	6,00,00,000	-	-
			Total		29,86,57,819		1,28,18,990
			Less : Current maturity of long term borrowings shown in other current liabilities		2,41,87,007	35,01,626	35,01,626
			Balance		27,44,70,812		93,17,364
			Total Balance as per 15A(a)		28,01,14,824		2,03,98,871

(g) The companies exposure to liquidity interest rate and currency risks are disclosed in note no 26(ii)

Sadhana Nitro Chem Limited
Notes forming part of the financial statements for 31st March 2021

Note 16 - Other financial liabilities

(Amount in Rs.)

Sr No	Particulars	March 31, 2021	March 31, 2020
	Current Financial Liabilities		
(i)	Current maturity of Long term borrowings (Refer note 15A (a))	2,92,30,581	77,49,099
(ii)	Interest accrued but not due on borrowings	12,92,966	3,97,681
(iii)	Dividend, Redeemed Preference Share & Excess right issue (Unclaimed)	6,69,648	6,69,648
(iv)	Creditors for Capital Expenditure	5,02,04,569	4,37,42,877
(v)	Security Deposit from Customer	-	-
(vi)	Other payables	51,73,451	34,81,216
	Total	8,65,71,215	5,60,40,521

Note 17 - Provisions

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
A	Non Current		
	Employee Benefit Obligations		
	(i) Compensated absences	80,30,821	2,24,03,868
	(ii) Gratuity (Refer Note No.29)	1,63,35,089	1,72,09,576
	Total	2,43,65,910	3,96,13,444
B	Current		
	Employee Benefit Obligations		
	(i) Compensated absences	2,18,80,472	99,91,170
	(ii) Gratuity (Refer Note No. 29)	1,68,57,949	1,45,75,198
	Total	3,87,38,421	2,45,66,368
Movement in provisions		Gratuity	
	Opening balance	3,17,84,754	2,87,61,761
	Add/Less :Provision recognised/(reversed) during the year	14,08,264	30,22,993
	Closing balance	3,31,93,018	3,17,84,754

Note - 18 A : Other non-current liabilities

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
1	Lease liabilities	4,05,71,385	4,58,04,672

Note 18 B - Other Liabilities

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
	Current		
(i)	Statutory Dues	2,84,92,313	2,72,58,890
(ii)	Employee Dues	2,85,22,800	2,14,68,995
(iii)	Income received in advance	-	14,16,930
(iv)	Advance From Customer	1,17,73,312	99,56,612
(v)	Security Deposit From Customer	1,13,74,066	-
	Total	8,01,62,490	6,01,01,425



Sadhana Nitro Chem Limited
Notes forming part of the financial statements for 31st March 2021

Note - 19 : Trade Payables

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Micro and Small Enterprises	71,25,275	43,55,787
(ii)	Others	24,60,49,630	20,83,09,260
	Total	25,31,74,905	21,26,65,047

(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006

(Amount in Rs.)

Particulars	March 31, 2021	March 31, 2020
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:- - Principal amount due to Micro and small enterprises:- - Interest due on above:	71,25,275 2,37,642	43,55,787 2,40,088
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 appointment 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)	2,37,642	2,40,088
d) The amount of interest accrued and remaining unpaid at the end of accounting year.	10,08,205	7,70,563
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 disallowances as a deductible expenditure under section 23.	10,08,205	7,70,563

(b) The Company has initiated the process of identification of suppliers registered under the Micro, Small & Medium Enterprises Development Act, 2006, by obtaining confirmations from all suppliers. Information has been collated only to the extent of information received as at the balance sheet date.

(c) All trade payables are 'current'. The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note no. 26(ii)

Note 20: Revenue from Operations**Contract with customers**

20.1 Details of revenue from contract with customers recognised by the company, net off of indirect taxes in the statement of profit and loss.

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Sale of Products		
	(a) Chemical Intermediate	87,78,95,563	1,14,99,18,413
	(b) Wireless Network Equipment	46,64,591	58,75,312
		88,25,60,154	1,15,57,93,725
(ii)	Sale of Services	14,16,930	1,53,64,067
(iii)	Other Operating Revenue		
	(a) Sale of scrap & sales other	17,23,592	4,75,157
	(b) Export Benefit	1,50,28,778	3,18,66,098
		1,81,69,300	4,77,05,322
	Total	90,07,29,454	1,20,34,99,047



Sadhana Nitro Chem Limited
Notes forming part of the financial statements for 31st March 2021

Product-wise details of Revenue :

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(a)	Sale of products		
	Product Type:		
	MAP	22,57,98,645	52,58,19,033
	SND 27 (ODB 2)	36,47,86,744	51,27,25,936
	Others	29,19,74,865	11,72,48,756
	Total	88,25,60,154	1,15,57,93,725
(b)	Sale of services	14,16,930	1,53,64,067
(c)	Other operating revenue		
	(i) Sale of scrap & sales other	17,23,592	4,75,157
	(ii) Export Benefit	1,50,28,778	3,18,66,098
	Total	1,67,52,370	3,23,41,255

Note - 21 Other Income

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	<u>Interest Income on:</u>		
	(a) Deposits with banks	10,809	90,247
	(b) Others	1,10,40,017	94,24,845
(ii)	<u>Dividend Income from</u>		
	Subsidiaries	-	-
	Current Investments	-	4,89,881
(iii)	Profit on Sale of Fixed Assets	39,93,771	-
(iv)	Foreign Exchange Gain	42,473	1,21,50,104
(v)	Gain On Forward Contracts	73,36,045	-
(vi)	Miscellaneous income	32,80,381	10,03,860
(vii)	Sundry Balance Written back	1,64,79,755	-
	Total	4,21,83,252	2,31,58,936

Note 22A - Cost of Raw materials and packing materials consumed

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
	Inventory at the beginning of the year	3,85,23,881	2,19,04,738
	Add: Purchases	51,30,55,899	40,49,68,697
	Total	55,15,79,780	42,68,73,435
	Less: Inventory at the end of the year	1,73,62,325	3,85,23,881
	Cost of materials consumed	53,42,17,455	38,83,49,554

Raw material and packing materials Consumed

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Benzene	8,60,41,991	2,27,66,448
(ii)	Nitric acid	6,09,03,905	1,13,63,647
(iii)	Cast iron powder	3,08,66,319	2,09,67,586
(iv)	Oleum 65%	1,00,08,840	72,61,452
(v)	Caustic Potash Flakes	-	-
(vi)	Packaging Material	26,40,949	24,05,202
(vii)	Other	34,37,55,451	32,35,85,219
	Total	53,42,17,455	38,83,49,554

Sadhana Nitro Chem Limited
Notes forming part of the financial statements for 31 st March 2021

Note 22B - Changes in inventories of finished goods and work-in-progress

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Opening Stock		
	Work in progress	12,00,11,730	9,59,49,086
	Finished goods	19,42,98,039	22,33,63,867
	Scrap	3,50,000	3,25,000
	Total (i)	31,46,59,769	31,96,37,953
(ii)	Closing Stock		
	Work in progress	14,24,69,336	12,00,11,730
	Finished goods	36,74,19,599	19,42,98,039
	Scrap	3,50,000	3,50,000
	Total (ii)	51,02,38,935	31,46,59,769
	Changes in Inventories Decrease/(Increase)(i-ii)	(19,55,79,166)	49,78,184
	Total	(19,55,79,166)	49,78,184

Note 23- Employee Benefit Expenses

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Salaries and wages, including bonus	14,04,90,122	14,30,96,633
(ii)	Employee Share Based compensation expense	-	(97,06,989)
(iii)	Contribution to Provident and other funds (Refer Note No. 29(a))	82,04,999	81,33,070
(iv)	Gratuity (Refer Note No. 29(b))	31,99,008	49,30,795
(v)	Leave Encashment expense	14,38,100	37,46,329
(vi)	Staff welfare expenses	18,53,583	27,28,066
	Total	15,51,85,812	15,29,27,904

Note 24 - Finance Cost

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Interest expense on term loans and other financial liabilities	23,21,626	30,39,199
(ii)	Interest on lease liability	39,99,575	50,75,036
(iii)	Interest on delayed Payment of tax	1,45,497	13,725
(iv)	Other borrowing cost	2,76,29,993	1,99,32,574
	Total	3,40,96,691	2,80,60,533

Note 25 - Other Expenses

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Power and fuel	6,38,02,985	8,20,14,249
(ii)	Rent	15,27,968	40,23,043
(iii)	Rates & Taxes	61,39,168	1,23,37,755
(iv)	Insurance	59,30,108	49,71,552
(v)	Printing & Stationery	4,47,085	11,51,819
(vi)	Postage, Telegram & Telephone & Internet (Communication Expenses)	14,51,776	15,07,562
(vii)	Travelling & Conveyance Expenses	26,78,098	1,71,70,328
(viii)	Legal & Professional fees	2,00,37,478	1,45,85,800
(ix)	Directors Fees	2,60,000	3,22,000
(x)	Electricity charges	10,22,625	9,35,396
(xi)	Security Charges	38,90,109	40,97,113
(xii)	Stores & spares Consumed	1,57,60,101	3,03,09,103
(xiii)	Repairs & Maintenance		
	Plant & Machinery	1,27,49,900	1,16,58,910
	Building	6,40,058	14,44,116
	Others	60,96,787	2,84,37,939

Sadhana Nitro Chem Limited
Notes forming part of the financial statements for 31st March 2021

Note 25 - Other Expenses

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(xiv)	Other Manufacturing Expenses	96,23,550	1,14,37,065
(xv)	Effluent Expenses	1,16,13,118	53,14,885
(xvi)	Research & Development Expenses	90,500	1,27,500
(xvii)	Payment to auditors (Refer Note (i) below)	11,00,000	10,00,000
(xviii)	Selling Expenses		
	Freight and Forwarding Expenses	1,84,70,507	1,13,99,643
	Commission Charges	1,56,16,145	2,29,83,317
	Local Freight & other expenses	94,05,484	1,11,15,449
(xix)	Bad debts & Sundry Debit Balances written off	58,853	10,27,800
(xx)	Guarantee Commission /Commission	-	45,95,605
(xxi)	Fiber rent	-	2,25,020
(xxii)	Provision For Doubtful Debt	-	8,19,959
(xxiii)	Miscellaneous Expenses	87,36,312	1,65,94,375
(xxiv)	Loss on Fair Valuation of Forward Contract	-	58,75,661
(xxv)	Foreign exchange fluctuation	83,85,957	-
(xxvi)	Merger Expenses	4,25,400	5,50,000
(xxvii)	Sundry balance Written off	16,31,834	-
(xxviii)	Corporate Social Responsibility Expenses (CSR)	2,43,837	-
	Total	22,79,55,776	28,80,33,429

Footnotes:

(i) Payment to Auditors

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	As Auditor*		
	Statutory Audit Fee	10,00,000	9,00,000
(ii)	Tax Audit Fee	1,00,000	1,00,000
	Total	11,00,000	10,00,000

Note No. - 26 Financial Instruments and Risk Review**Capital Management**

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold the investor, creditor and customer confidence and to ensure future development of its business. The Company is focused on keeping strong total equity base to ensure independence, security as well high financial flexibility for potential future borrowings, if required without impacting the risk profile of the company. The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute annual dividends in future periods. The amount of future dividends of equity shares will be balanced with efforts to continue to maintain an adequate liquidity status.

(Amount in Rs.)

Particulars	March 31, 2021	March 31, 2020
Total equity attributable to equity shareholders of the company	1,33,31,07,365	1,22,87,71,310
As a percentage of total capital	62	73
Long term borrowings	28,01,14,824	2,03,96,871
Short term borrowings	52,27,87,971	43,50,22,267
Total borrowings	80,29,02,795	45,54,21,138
As a percentage of total capital	38	27
Total Capital (Equity and Borrowings)	2,13,60,10,160	1,68,41,92,448

Financial Risk Management Framework

The company has exposure to the following risks arising from financial instruments :

- a) Credit risk
- b) Liquidity risk
- c) Market risk



Sadhana Nitro Chem Limited

Notes forming part of the financial statements for 31st March 2021

i) Credit Risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and financial institutions and other financial instruments.

The customer credit is managed by the company's established policy , procedures and controls relating to customer credit management. The company has established a credit policy under which each new customer is analysed individually for credit worthiness before the company's standard payment and delivery terms and conditions are offered. The company's review includes external ratings where available and other publicly available financial information. Outstanding customers receivables are regularly monitored and any shipment to major customers are generally covered by letter of credit or other forms of credit insurance.

The following table gives details in respect of percentage of revenues generated from top five customer

(In %)

Particulars	March 31, 2021	March 31, 2020
Revenue from top five customers	63.10	64.88

The company establishes an allowance for impairment that represents fixed estimate of expected losses in respect of trade and other receivable. The maximum exposure to credit risk as at reporting date is primarily from trade receivable amounting to Rs. 58,32,20,079/- (P.Y. Rs. 51,52,67,706/-). The movement in allowance for impairment in trade and other receivables during the year was as follows :

Allowance for impairment	March 31, 2021	March 31, 2020
Opening balance	8,19,959	-
Impairment loss recognised / reversed		8,19,959
Closing balance	8,19,959	8,19,959

Majority of the balance of trade receivables of the Company are from only 2 customers of which one is a wholly owned subsidiary of the Company.

The total outstanding from these customers as at year end is Rs. 50,04,76,003 (P.Y. Rs. 41,25,01,928)

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit ratings agencies.

ii) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure as far as possible that it have sufficient liquidity to meet its liabilities when they are due under both normal and stressed conditions without incurring unacceptable losses or risking damage to company's reputation.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly , no liquidity risk is perceived. In addition , the company maintains the following line of credit.

The company has working capital facilities from a Bank at interest rate of libor plus 4% pa. These facilities are secured by an exclusive charge on present and future stocks and book debts, exclusive charge on entire plant and machinery , charge by way of pledge on debt mutual funds of Rs.5,52,56,918/- crores and further secured by personal guarantee of Chairman and Managing Director and Corporate Guarantee of Holding Company. ,

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2021

Particulars	Less than 1 year	1 to 2 years	2- 5 years	5-10 years	Total
Long term borrowings	2,92,30,561	5,82,54,660	13,88,69,266	8,29,90,898	30,93,45,405
Short term borrowings	52,27,87,971	-	-	-	52,27,87,971
Trade payable	25,31,74,905	-	-	-	25,31,74,905
Other financial liabilities	5,73,40,634	-	-	-	5,73,40,634
Total	86,25,34,090	5,82,54,660	13,88,69,266	8,29,90,898	1,14,26,48,914



Sadhana Nitro Chem Limited

Notes forming part of the financial statements for 31st March 2021

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2020

Particulars	Less than 1 year	1 to 2 years	2- 5 years	5-10 years	Total
Long term borrowings	77,49,099	85,17,327	1,18,81,544	-	2,81,47,970
Short term borrowings	43,50,22,267	-	-	-	43,50,22,267
Trade payable	21,26,65,047	-	-	-	21,26,65,047
Other financial liabilities	4,82,91,422	-	-	-	4,82,91,422
Total	70,37,27,836	85,17,327	1,18,81,544	-	72,41,26,707

iii) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Foreign Currency exchange rate risk

The Company operates internationally and major portion of the business is transacted in several currencies and consequently the company is exposed to foreign exchange risks through operating activities in foreign currency.

1) Details of foreign currency exposures as at the year end:

Particulars	Currency	Amount in foreign currency		Equivalent amount (Rs.)	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Financial Assets					
Trade Receivables	EUR	8,02,600	3,03,350	6,88,96,789	2,51,73,196
	USD	60,99,925	62,11,479	44,65,51,086	46,81,49,749
Advance to vendor	USD	-	3,35,002	-	2,52,48,431
Financial Liabilities					
Trade Payables	USD	2,83,208	4,01,392	2,07,32,560	3,62,81,545
Advance Received from customer	USD	1,15,277	1,13,070	84,38,968	85,21,860
Working Capital Borrowing	EUR	3,78,250	2,18,359	3,24,69,737	1,79,54,336
	USD	51,09,363	59,11,058	37,40,36,013	44,55,04,610
Net Asset / (liability)	EUR	4,24,350	86,991	3,64,27,053	72,18,861
Net Asset / (liability)	USD	5,92,077	40,961	4,33,43,545	30,90,165

2) Details of forward contracts outstanding at the year end used to hedge the outstanding foreign currency exposures

Particulars	Currency	Amount in foreign currency		Equivalent amount (Rs.)	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Forward contracts entered into to hedge the receivable exposure	USD	21,50,000	23,00,000	15,73,92,900	17,33,46,400
Forward contracts entered into to hedge the payable exposure	USD	7,50,000	-	5,49,04,500	-

Note 27 : Earnings Per Share

(Amount in Rs.)

Sr. No	Particulars	31 March 2021	March 31, 2020
a)	Net Profit for the year attributable to the equity shareholders	10,21,88,583	23,49,65,058
b)	Opening number of equity shares outstanding	9,31,51,490	1,86,30,298
c)	Closing Number of Equity shares outstanding	13,97,27,235	9,31,51,490
d)	Effective weighted average no. of shares outstanding during the year (Refer Note 27.1 below)	13,97,27,235	13,97,27,235
e)	Basic/Diluted earning per share (Rs. 1/- per share) (P. Y. Rs. 1/- per share)	0.73	1.68



Sadhana Nitro Chem Limited
Notes forming part of the financial statements for the year ended March 31, 2021

27.1 The Company has issued and allotted 4,65,75,745 equity shares of Re. 1/- each to eligible equity shareholders on the book closure date (i.e. 18th September, 2020) as fully paid up bonus equity shares by capitalizing reserves.

The earning per share figures for the previous year have been restated to give effect to the allotment of the bonus shares, as required by IND-AS 33, 'Earning Per Share'.

Note 28: Disclosures under Ind AS 116

Effective from April 1, 2019, the company adopted Ind AS 116 "Lease", applied to all lease contracts existing on April 1, 2019 using the modified retrospective approach and has taken the cumulative adjustment to retained earnings, on date of initial application. Due to transition, the nature of expenses in respect of certain leases under erstwhile standard has changed from 'Lease Rental' to Depreciation & Amortization expenses and Finance cost' for the Right to use assets and on Lease Liability respectively.

Due to the accounting treatment as per this Standard, the current year profit has been reduced by Rs. 57,87,363/- (Previous Year Rs. 23,33,320/-)

During the year ended March 31, 2021 the company has received significant waivers in lease rentals due to lockdown imposed by the Central & state Governments owing to the spread of the Covid-19 pandemic. Accordingly the Company has revalued its lease obligations in accordance with the provisions of Ind AS 116. This revaluation resulted in a reduction in the value of lease liabilities and right of use assets as at the 01.04.2020. The company has recognized a net gain of Rs. 29,97,847 on the aforesaid revaluations during the year.

Details of Payments to be made towards Lease liability

(Amount in Rs.)

Particulars	March 31, 2021	March 31, 2020
Lease liability paid during the year	86,51,286	1,28,91,785
Lease liability payable not more than 1 year	1,38,77,408	1,33,96,824
Lease liability payable not more than 5 year	4,79,11,089	4,43,45,162

Note 29 : Employee benefits

(a) Defined Contribution Plan

The Company makes Provident Fund contributions to defined contribution plan administered by the Regional Provident Fund Commissioner. Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. The Company has recognized Rs.79,65,283/- towards Provident Fund and other fund contributions (March 31, 2020: Rs 77,57,562/-) in the Statement of Profit and Loss. The provident fund and ESIC contributions payable by the Company are in accordance with rules framed by the Government from time to time.

(b) Defined Benefit Plans:

Gratuity

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 recognises 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 recognised 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.

"The Company has a defined benefit plan for every employee who has completed five year or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded. The Company has a defined unfunded obligation for leave encashment. Generally the leave encashment is paid to employees as and when claimed."

Funded Plan Gratuity

Particulars	March 31, 2021	March 31, 2020
Service Cost		
Current Service Cost	10,09,037	9,02,094
Past service cost and (gains)/losses from settlements	-	-
Net interest expense	21,89,971	22,40,543
Components of defined benefit costs recognised in profit or loss	31,99,008	31,42,637
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	-	-
Actuarial gains and loss arising from changes in financial assumptions	-	-
Actuarial gains and loss arising from experience adjustments	(9,02,543)	13,28,648
Actuarial gains and loss arising from demographic adjustments	-	-
Components of defined benefit costs recognised in other comprehensive income	(9,02,543)	13,28,648
Total	22,96,465	44,71,285


Funded Plan Gratuity

Particulars	March 31, 2021	March 31, 2020
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	3,31,93,038	3,17,84,774
2. Fair value of plan assets as at 31st March		
3. Surplus / Deficit	3,31,93,038	3,17,84,774
4. Current portion of the above		
5. Non current portion of the above		
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	3,17,84,774	2,87,81,781
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	10,09,037	9,02,094
- Past Service Cost	-	-
- Interest Expense / (Income)	21,89,971	22,40,543
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)	-	-
- Actuarial Gain / (Loss) arising from:		
i. Demographic Assumptions	-	-
ii. Financial Assumptions	-	-
iii. Experience Adjustments	(9,02,543)	13,28,648
5. Benefit payments	(8,86,201)	(14,48,292)
6. Others (Specify)		
7. Present value of defined benefit obligation at the end of the year	3,31,93,038	3,17,84,774
III. Change in fair value of assets during the year ended 31st March		
1. Fair value of plan assets at the beginning of the year		
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Expected return on plan assets	-	-
- Interest Income	-	-
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)	-	-
- Actual Return on plan assets in excess of the expected return	-	-
- Others (specify)	-	-
5. Contributions by employer (including benefit payments recoverable)	-	-
6. Benefit payments	-	-
7. Fair value of plan assets at the end of the year	-	-
IV. The Major categories of plan assets		
- List the plan assets by category here	-	-
Insurance Fund		
V. Actuarial assumptions		
1. Discount rate	8.87%	8.89%
2. Expected rate of return on plan assets	NA	NA
3. Salary Increase Rate	4.00%	4.00%
4. Rate of Employee Turnover	2.00%	2.00%
5. Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2005-08)
6. Mortality Rate After Employment	N.A.	N.A.
VI. Other Details		
1. No of Active Members	187	196
2. Per Month Salary For Active Members	53,96,818	54,90,231
3. Weighted Average Duration of the Projected Benefit Obligation	5	5
4. Average Expected Future Service	15	15
5. Projected Benefit Obligation (PBO)	3,31,93,038	3,17,84,774
6. Prescribed Contribution For Next Year (12 Months)	53,96,818	54,90,231
VII. Net Interest Cost		
1. Interest Cost	21,89,971	22,40,543
2. Interest Income	-	-
3. Net Interest Cost (1-2)	21,89,971	22,40,543

Sadhana Nitro Chem Limited
Notes forming part of the financial statements for the year ended March 31, 2021

Maturity Analysis of Projected Benefit Obligation: From the Employer

Particulars	March 31, 2021	March 31, 2020
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	1,68,57,949	1,45,75,198
2nd Following Year	14,58,647	30,85,531
3rd Following Year	9,50,975	13,78,993
4th Following Year	25,62,880	8,94,531
5th Following Year	25,17,072	24,45,584
Sum of Year 6 To 10	81,00,776	91,09,770
Sum of Year 11 and Above	1,58,52,830	1,52,42,373

Sensitivity Analysis

Projected Benefit Obligation on Current Assumptions	3,31,93,038	-	3,17,84,774
Delta Effect of +1% Change in Rate of Discounting	(11,48,099)	-	(11,40,605)
Delta Effect of -1% Change in Rate of Discounting	13,15,451	-	13,04,467
Delta Effect of +1% Change in Rate of Salary Increase	12,43,709	-	12,34,249
Delta Effect of -1% Change in Rate of Salary Increase	(11,07,263)	-	(11,01,411)
Delta Effect of +1% Change in Rate of Employee Turnover	3,60,447	-	3,57,863
Delta Effect of -1% Change in Rate of Employee Turnover	(4,06,528)	-	(4,03,594)

Sensitivity analysis for each significant actuarial assumption is required to be given, (Illustration for medical inflation given below, Company needs to provide for others)

A. Effect of 0.90% change in the assumed discount rate	0.02% DECREASE March 31, 2021	0.01% Increase March 31, 2020
Defined Benefit Obligation	6.87	6.89

VIII. Experience Adjustments :	Year Ended	
	March 31, 2021	March 31, 2020
	Gratuity	
1. Defined Benefit Obligation	(3,31,93,038)	(3,17,84,774)
2. Fair value of plan assets	-	-
3. Surplus/(Deficit)	(3,31,93,038)	(3,17,84,774)
4. Experience adjustment on plan liabilities [(Gain)/Loss]	-	-
5. Experience adjustment on plan assets [Gain/(Loss)]	-	-

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Additional Details	
Methodology Adopted for ALM - Usefulness and Methodology adopted for Sensitivity Analysis -	Projected Unit Credit Method Sensitivity analysis is an analysis which will give the movement in liability if the assumption were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.
Stress Testing of Assets - Investment Strategy - Comment on Quality of Assets -	Not Done Not Discussed Since Investment is with insurance company, Assets are considered to be secured.
Management Perspective of Future Contributions -	As per Actuarial Calculation

Sadhana Nitro Chem Limited
Notes forming part of the financial statements for the year ended March 31, 2021

Notes

*Gratuity is payable as per company's scheme as detailed in the report.

*Actuarial gains/losses are recognised in the period of occurrence under Other Comprehensive Income (OCI).

*All above reported figures of OCI are gross of taxation.

*Salary escalation & attrition rate are considered as advised by the company; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

*Maturity Analysis of Projected Benefit Obligation is done considering future salary, attrition & death in respective year for members as mentioned above.

*Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

*Value of asset provided by the client is considered as fair value of plan asset for the period of reporting as same is not evaluated by us.

Note 30 : Corporate Social Responsibility

As required under Section 135 of the Companies Act, 2013, the Board in its meetings held on 19th October, 2018 has constituted a Corporate Social Responsibility Committee (CSR Committee).

The Board of Directors of the Company has approved the CSR policy based on the recommendation of the CSR Committee and is in the process of identifying the activities for CSR spends.

Particulars	
(a) Amount remaining unspent from previous years to be spent by the company	1,13,38,949
(b) Gross amount required to be spent by the company during the year	1,15,50,519
(c) Amount spent during the year 2020-21	2,43,837
(d) Balance amount remaining unspent at the end of the year	2,26,45,631

Note 31 - Contingent liabilities and commitments (to the extent not provided for)

Particulars	March 31, 2021	March 31, 2020
(i) Contingent liabilities :		
(a) Bank Guarantees/ Letter of Credit	-	-
(b) Contingent Liabilities for Income Tax, Service Tax and others:	-	-
- Employees Provident Fund and Miscellaneous Provisions Act 1952#	58,76,715	58,76,715
- Employees Provident Fund and Miscellaneous Provisions Act 1952#	4,71,691	4,71,691
(ii) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance)	20,00,26,944	6,55,67,894

#The Company is subject to legal proceedings and claims which have arisen in the ordinary course of business from Direct tax laws (TDS), Indirect tax laws and Other Laws. Future cash outflow, if any in respect of these matters are determinable only on receipt of judgements /decisions pending at various stages before the appellate authorities. The Management is of the opinion that the matters would be resolved in favour of the Company. The Company Management does not reasonable expect that these legal action when ultimately concluded and determined would have a material and adverse effect on the Company's result of operations or financial condition.

Note 32**A. Value of imports calculated on CIF basis**

Particulars	March 31, 2021	March 31, 2020
Raw Material and Components	12,10,79,898	11,89,36,488
Capital goods	-	-
Total	12,10,79,898	11,89,36,488

B. Expenditure in foreign currency

Particulars	March 31, 2021	March 31, 2020
Other matters - Foreign travel, Corporate allocations etc.	-	20,14,619
Services Available	1,45,67,336	2,17,25,483
Total	1,45,67,336	2,37,40,082

Sadhana Nitro Chem Limited
Notes forming part of the financial statements for the year ended March 31, 2021

C: Earnings in foreign currency

Particulars	March 31, 2021	March 31, 2020
Export Revenue *	47,83,36,722	85,09,26,719
Total	47,83,36,722	85,09,26,719

* includes revenue from related parties amounting to Rs. 110728385/- (P.Y. Rs. 188096699/-)

Note 33

Transfer Pricing

"The Company has 'international transactions with associated enterprises' which are subject to Transfer Pricing regulations in India. These regulations, inter alia, require the maintenance of prescribed documents and information for the basis of establishing arm's length price including furnishing a report from an Accountant within the due date of filing the return of income. For the fiscal year ended March 31, 2021, the Company has taken necessary steps including conducting a study as required by the regulations and the Accountant's report in this regard is awaited. In the opinion of the management, the transactions are carried out at arm's length and no adjustments is expected to arise thereon."

Note 34

Segment Reporting

In accordance with Ind AS 108, "Operating Segments", the Company has presented segment information on the basis of consolidated financial statements which form part of this report

Note 35

Borrowing Cost

During the year, the Company has capitalized Rs. 25,23,847/- (P.Y. Rs. NIL) as part of cost of qualifying CWIP as borrowing costs

Note 36 : Significant estimates and assumptions

Estimates and Assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes will be reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amounts sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Defined Benefit Plans (Gratuity Benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Details about gratuity obligations are given in Note 29.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from



Sadhana Nitro Chem Limited
Notes forming part of the financial statements for the year ended March 31, 2021

observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value target and the discount factor.

The Company has valued its financial instruments through profit & loss which involves significant judgements and estimates such as cash flows for the period for which the instrument is valid, EBITDA of investee company, fair value of share price of the investee company on meeting certain requirements as per the agreement, etc. The determination of the fair value is based on expected discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

Note 37 - Related party transactions

List of related parties

Holding Company Manekchand Panachand Trading Investment Co Private Limited

Subsidiary Companies (i) AnuChem B.V.B.A Belgium
(ii) Spidigo Net Private Limited

Key Management Personnel & Board of Directors

i) Shri. Asit D. Javeri	Executive Chairman
ii) Shri. Abhishek A. Javeri	Managing Director & Chief Financial Officer
iii) Smt. Seema A. Javeri	Executive Director (Administration)
iv) Shri. Arvind R. Doshi	Independent Director
v) Shri. Priyam S. Jhaveri	Independent Director
vi) Shri. Pradeep N. Desai	Independent Director
viii) Smt. Ayesha S. Patel	Additional Independent Director (WEF 07-12-2020)
ix) Shri. Nitin R. Jani	Company Secretary

Associate Concerns / companies under control / significant influence of key managerial personnel or the members of the Board of Directors

i) Chandra Net Limited
ii) Life Style Networks Limited
iii) Phthalo Color & Chemicals (India) Limited
iv) Nanavati Speciality Chemicals Private Limited
v) Nanavati Sons Private Limited
vi) Aayan Nanotech Private Limited
vii) Tanishka Microencapsulation Private Limited
viii) Trivo Enterprise LLP
ix) PAE Limited
x) Finogra (India) Private Limited
xi) S. Amit Speciality Chemicals Private Limited
xii) Perfo Chem (India) Private Limited
xiii) S. Amit & Co
xiv) Chem Amit



Sadhana Nitro Chem Limited
Notes forming part of the financial statements for the year ended March 31, 2021

II) Disclosure in respect of material related party transactions during the year.

Particulars	31-03-2021	31-03-2020
Remuneration paid / payable		
i) Shri. Asit D Javeri	1,68,00,000	1,68,00,000
ii) Shri. Abhishek A Javeri	1,68,00,000	1,68,00,000
iii) Smt. Seema A Javeri	1,68,00,000	1,68,00,000
iv) Shri. Nitin R Jani	92,79,996	92,80,000
Interest Paid		
i) Shri. Asit D Javeri	13,92,330	9,97,398.00
ii) Shri. Abhishek A Javeri	2,03,013	-
iii) Smt. Seema A Javeri	2,55,090	-
Guarantee Commission paid / payable		
i) Shri. Asit D Javeri	-	25,50,360
ii) Shri. Abhishek A Javeri	-	17,00,240
Revenue from sale of goods		
i) Anuchem B.V.B.A. Belgium	8,40,28,385	70,50,15,098
ii) Aayan Nanotech Private Limited	2,67,00,000	2,61,96,000
iii) Lifestyle Networks Ltd	13,26,760	-
Purchase Of goods		
i) Aayan Nanotech Private Limited	2,45,00,000	-
Dividend Received		
i) Anuchem B.V.B.A. Belgium	-	1,20,065
Interest received / receivable		
i) Spidigo Net Private Limited	66,43,171	37,97,314
ii) PAE Limited	40,00,000	40,00,000
Director Sitting Fees		
i) Shri. Arvind R Doshi	82,000	96,000
ii) Shri. Priyam S Jhaveri	82,000	96,000
iii) Shri. Pradeep N Desai	66,000	80,000
iv) Shri. Amit M Mehta	30,000	50,000
Loan / Advances given during the year		
i) Spidigo Net Private Limited	16,74,745	6,28,48,400
ii) Lifestyle Networks Limited (Capital Advance)	1,40,97,787	30,35,882
Purchase of Capital Assets		
i) Chandra Net Limited	-	8,00,000
Loan Repaid During the Year		
i) Shri. Asit D Javeri	75,00,000	-
Loans received during the year		
i) Shri. Asit D Javeri	1,97,50,000	75,00,000
ii) Shri. Abhishek A Javeri	50,00,000	-
iii) Smt. Seema A Javeri	66,00,000	-
Liabilities Taken Over		
(i) Spidigo Net Pvt Ltd	1,36,82,662	-
Closing Balances - Debit/(Credit)		
i) Shri. Asit D Javeri	(2,33,70,696)	(97,56,791)
ii) Shri. Abhishek A Javeri	(51,87,787)	(5,18,533)
iii) Smt. Seema A Javeri	(1,75,84,793)	(29,28,053)
iv) Anuchem B.V.B.A. Belgium	27,13,84,582	24,28,37,486
v) Spidigo Net Private Limited	8,77,68,324	6,62,65,983
vi) Aayan Nanotech Private Limited	61,23,250	65,27,250
vii) Lifestyle Networks Limited	1,71,04,549	30,35,882
viii) PAE Limited	4,95,68,219	4,51,68,219

Sadhana Nitro Chem Limited
Notes forming part of the financial statements for the year ended March 31, 2021

Note 38 : Income Tax

Tax Expenses	March 31, 2021	March 31, 2020
Recognised in the statement of profit & loss		
Current tax	2,86,73,000	8,49,00,000
Deferred tax	(13,26,133)	1,13,65,460
	2,73,46,867	9,62,65,460
Recognised in other comprehensive income		
Deferred tax	22,78,622	-
	22,78,622	-
Total Taxes		
Current tax	2,86,73,000	8,49,00,000
Deferred tax	9,52,489	1,13,65,460
	2,96,25,489	9,62,65,460
The income tax expense for the year can be reconciled to the accounting profit as follows:		
	For the year ended 31-03-2021	For the year ended 31-03-2020
(Loss) / Profit before tax	12,95,35,450	31,17,55,112
Statutory income tax rate	25.17%	29.12%
Tax expenses	3,26,01,482	9,07,83,089
Effect of :		
Expenses disallowed for tax purposes	8,25,395	43,82,991
Non-taxable income	(32,47,416)	(1,42,653)
Others	(5,53,972)	12,42,534
	(29,75,993)	54,82,371
Total Tax Expenses	2,96,25,489	9,62,65,460

Note 39 : Fair Value Measurement
(a) Financial Instrument by category

	March 31, 2021	March 31, 2020
Measured at Amortised Cost		
- Trade Receivables	58,32,20,079	51,52,67,706
- Cash and Cash Equivalents	10,85,65,784	37,58,983
- Bank Balance other than Cash and Cash Equivalents	19,42,034	26,46,660
- Other Financial Assets	5,09,83,260	5,08,25,704
- Loans and advances	9,05,76,895	6,87,90,000
Measured at Fair Value through Profit & Loss		
Measured at Fair Value through other comprehensive income		
- Investment - Non-current	7,72,549	7,72,549
- Investment - Current	6,38,96,718	5,51,16,248
Financial Liabilities		
Measured at Amortised Cost		
- Trade Payables	25,31,74,905	21,26,65,047
- Other Financial Liabilities	8,65,71,215	5,60,40,521

(b) Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels :

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair value are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transaction in the same



Sadhana Nitro Chem Limited
Notes forming part of the financial statements for the year ended March 31, 2021

instrument nor are they based on available market data.

The investments included in level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within the range.

The Following table summarises fair value hierarchy of financial assets measured at fair value on recurring basis

As at March 31, 2021	Level 1	Level 2	Level 3
Measured at Fair Value through Profit & Loss			
Measured at Fair Value through other comprehensive income			
- Investment - Non-current	-		7,72,549
- Investment - Current	5,38,96,716		-
As at March 31, 2020	Level 1	Level 2	Level 3
Measured at Fair Value through Profit & Loss			
Measured at Fair Value through other comprehensive income			
- Investment - Non-current	-		7,72,549
- Investment - Current	5,51,16,248		-

Note 40 : Impact of Covid-19

The outbreak of Coronavirus (Covid-19) pandemic has caused significant disruption and slowdown of economic activities throughout the world and has impacted the operation of the Company's business during the year, by way of interruption in production, supply chain disruption, unavailability of personnel's, the reduction in capacity of production facilities, etc.

The Company, on the basis of internal assessment, believes that the pandemic is not likely to impact the carrying value of its assets. Further the probability of the occurrence of their forecasted transactions is not likely to be severely impacted by the emerging waves of the COVID-19 pandemic. The Company continues to closely monitor the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from estimates made as of the date of approval of the Standalone Financial Statements.

Note 41: Events Occuring after the balance sheet date

No adjusting or significant non-adjusting events have occurred between the reporting date and date of authorization.

Note 42 : Previous Year Figures

Previous year's figures have been regrouped, rearranged & reclassified wherever considered necessary

The accompanying notes are an integral part of the Standalone financial statements. (Refer Notes 1- 42)

As per our report of even date attached

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Registration Number : 121142W/W100122

Jayesh Dadia
Partner
Membership Number : 033973

Mumbai
Date: 09.06.2021

For and on behalf of the Board of Directors
Asit D Javeri
Executive Chairman

Abhishek A Javeri
Managing Director & CFO

Smt. Seema A Javeri
Executive Director Administration

Priyam S Jhaveri
Director

Nitin R Jani
Company Secretary

**INDEPENDENT AUDITORS' REPORT****To the Members of Sadhana Nitro Chem Limited****Report on the Consolidated Financial Statements****Opinion**

We have audited the consolidated financial statements of **Sadhana Nitro Chem Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March, 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 consolidated state of affairs of the Group as at 31st March, 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained by us and the audit evidence obtained by other auditors in thereon in terms of their report referred to in other matters section below is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key Audit Matter	How the matter was addressed in our audit
<p>Revision in terms of Leases due to waivers received and compliance with provisions subsequent measurement of IND-AS 116, "Leases"</p> <p>As described in note no. 2.5 to the consolidated financial statements, the Group had adopted IND AS 116 Leases (Ind-AS 116) in with effect from 1st April, 2019. Ind-As 116 introduced a new lease accounting model, wherein a lessee is required to recognize a right-of-use (RoU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payment during the lease term as per the contract/arrangement. Adoption of the standard involved significant judgment & estimates including determination of the discount rates.</p> <p>During the year under audit, the Holding Company received significant waivers on its lease obligations owing to the Covid-19 pandemic: induced lockdowns enforced by various government authorities to curb the spread of the virus. Accordingly as mentioned in note no. 28 to the consolidated financial statements, the Holding Company re-valued its lease obligations in accordance with the provisions of Ind-As 116 which resulted in a net reduction in the value of Lease Liabilities.</p>	<p>Our audit procedures on re-evaluation of lease obligations in accordance with IndAS 116 include:</p> <ul style="list-style-type: none"> - Reviewed the correspondence from the Lessors granting waiver in lease rentals during the current financial year including the waiver letters, invoices & credit notes; - Assessed the reasonableness of the discount rates applied in determining the revised lease liabilities & value of right-of-use asset. - Tested the completeness of the lease data by reconciling the Company's operating lease commitments, after taking into consideration the waivers received, to data used in computing RoU asset and the lease liabilities. - Assessed and tested the presentation and disclosures relating to Ind-As 116 including disclosures relating to revaluations & revisions due to waivers received.

Emphasis of Matter

We draw attention to Note No. 36 to the consolidated financial statements regarding the uncertainties arising out of the outbreak of Covid-19 pandemic and the assessment made by the management of the Holding Company on the operations of the Group and the financial reporting for the year ended 31st March, 2021. Such an assessment and the outcome of the pandemic, as made by the management of the Holding Company, are dependent on the circumstances as they evolve in the subsequent periods.

Our opinion is not modified in respect of this matter

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholders information, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is



higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(f) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and such companies incorporated in India which are its subsidiary companies have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Company and its subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the financial statements of one wholly owned subsidiary, locate outside India, included in the consolidated financial results of the Group. This subsidiary accounts for total assets of Rs. 23,77,71,422/- as at 31st March, 2021, total revenue of Rs. 21,33,55,298/- and a net loss amounting to Rs. 5,56,194/- for the year ended on that date. These financial statements have been audited for the calendar year ended 31st December, 2020 by other auditors whose reports have been furnished to us by the Holding Company's management. Further the accounts of the subsidiary have been drawn upto 31st March, 2021 and have been approved by the management and not subjected to audit.



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-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit reports of other auditors and management accounts for the quarter ended 31st March, 2021.

This subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's Management.

Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- (b) The consolidated financial statements also include the unaudited financial information of one wholly owned subsidiary whose financial information reflects total assets of Rs. 2,19,39,780/- as at 31st March, 2021, total revenues of Rs. 4,45,688/- for the year ended 31st March, 2021 and total net profit of Rs. 22,14,968/- for the year ended 31st March, 2021, as considered in the consolidated financial statements, whose financial statements have not been audited either by us or by other auditors. These unaudited financial statements have been furnished to us by the Holding Company's 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 wholly owned subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid wholly owned subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Holding Company's Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Holding Company's Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, 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 (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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 Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of internal financial Controls with reference to the Consolidated Financial Statements which includes one subsidiary company incorporated outside India and one subsidiary incorporated in India (the subsidiary company incorporated in India is exempted from reporting on internal financial controls over financial reporting vide MCA general circular 08/2017 dated 25 July, 2017 and the subsidiary company incorporated outside India to which reporting on internal financial control is not applicable) and the operating effectiveness of such controls, refer to our separate report in "Annexure A".



- 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the 'Other Matters' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31st March, 2021 on the consolidated financial position of the Group. Refer Note No. 30 to the consolidated financial statements.
- ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has not been any occasion in case of the Group during the year under report to transfer any sums to the Investor Education and Protection Fund. Therefore, the question of delay in transferring such sums does not arise.
2. With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act:
In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm's Registration No. 121142W / W100122

Jayesh Dadia
Partner
Membership No. 033973

Place of Signature: Mumbai
Date: 9th June, 2021
UDIN: 21033973AAAABW9375



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") referred to in paragraph 1 (f) on Report on Other Legal and Regulatory Requirements of our report

Opinion

We have audited the internal financial controls over financial reporting of **Sadhana Nitro Chem Limited** (hereinafter referred to as the "Company" or "Holding Company") as at 31st March, 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, holding company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the respective companies 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.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the holding company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the holding company and its subsidiaries 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 the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 internal financial controls system over financial reporting of the holding company and its subsidiaries.

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.

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.

For Jayesh Dadia & Associates LLP

Chartered Accountants

Firm's Registration No. 121142W / W100122

Jayesh Dadia

Partner

Membership No. 033973

Place of Signature: Mumbai

Date: 9th June, 2021

UDIN: 21033973AAAABW9375



Sadhana Nitro Chem Limited					
Consolidated Balance Sheet as at March 31, 2021					
Particulars			Note No.	As at March 31, 2021	As at March 31, 2020
A	ASSETS				
I	Non-current assets				
	(a) Goodwill on consolidation	3B		6,36,23,270	6,36,23,270
	(b) Property Plant and Equipment	3A		72,00,68,959	77,97,94,750
	(c) Capital work-in-progress	3A		22,68,26,397	15,02,64,543
	(d) Financial Assets				
	(i) Investments	4A		-	-
	(ii) Loans	5A		17,25,812	25,36,105
	(e) Other non current assets	8A		20,49,22,934	4,22,93,713
	Total Non-Current assets			1,21,71,67,372	1,03,85,12,381
II	Current assets				
	(a) Inventories	9		66,32,31,980	51,72,02,386
	(b) Financial Assets				
	(i) Current Investments	4B		6,38,96,718	5,51,16,248
	(ii) Trade receivables	10		48,89,88,217	29,04,38,949
	(iii) Cash and cash equivalents	11		10,94,99,244	53,67,754
	(iv) Bank Balances other than (ii) above	12		19,42,034	26,46,660
	(v) Loans	5B		11,39,679	2,81,831
	(vi) Other financial assets	6		5,10,09,446	9,38,28,598
	(c) Other current assets	8B		12,66,31,253	15,32,07,760
	Total current assets			1,50,63,36,571	1,11,80,90,186
	TOTAL			2,72,35,05,943	2,15,66,02,567
B	EQUITY AND LIABILITIES				
I	Equity				
	(a) Equity Share capital	13		13,97,27,235	9,31,51,490
	(b) Other Equity	14		1,15,84,02,639	1,07,05,73,985
	Total			1,29,81,29,874	1,16,37,25,475
II	Liabilities				
	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	15A		28,01,14,624	2,03,98,671
	(b) Provisions	17A		2,43,65,910	4,40,53,014
	(c) Deferred Tax Liabilities (Net)	7		2,62,10,032	2,75,45,175
	(d) Other non-current liabilities	19A		4,05,71,365	4,58,04,672
	Total Non current liabilities			37,32,62,151	13,78,01,732
III	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	15B		52,27,87,971	43,50,22,267
	(ii) Trade payables	19			
	(a) Due to MSME			71,25,275	43,55,787
	(b) Due to other than MSME			25,16,67,621	21,48,89,788
	(iii) Other financial liabilities	16		8,89,77,655	5,66,58,245
	(b) Provisions	17B		3,87,38,421	2,45,73,363
	(c) Other current liabilities	18		8,76,96,432	8,73,63,640
	(d) Income Tax Liabilities (net)			5,51,20,543	3,22,12,270
	Total current liabilities			1,05,21,13,918	85,50,75,360
	TOTAL			2,72,35,05,943	2,15,66,02,567
The accompanying notes are an integral part of the consolidated financial statements. (Refer Notes 1- 39)					
As per our report of even date attached					
For Jayesh Dadia & Associates LLP			For and on behalf of the Board of Directors		
Chartered Accountants					
Firm Registration Number : 121142W/W100122					
Jayesh Dadia			Asit D Javeri	Priyam S Jhaveri	
Partner			Executive Chairman	Director	
Membership Number : 033973			Abhishek A Javeri	Nitin R Jani	
			Managing Director & CFO	Company Secretary	
			Smt. Seema A Javeri		
			Executive Director		
			Administration		
Mumbai					
Date : 09th June 2021					



Sadhana Nitro Chem Limited
Statement of Consolidated Profit and Loss for the year ended March 31, 2021

Amount in Rs

	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
(I)	INCOME			
(II)	Revenue from operations	20	1,03,05,02,055	1,06,05,87,901
(III)	Other income	21	4,91,22,020	1,96,02,301
(IV)	Total Income (II + III)		1,07,96,24,083	1,08,01,90,202
(V)	EXPENSES			
	(a) Cost of materials consumed	22A	53,42,17,456	38,83,48,553
	(b) Changes in inventories of finished goods, stock-in-trade and work-in-progress	22B	(13,05,50,474)	(7,37,09,662)
	(c) Employee benefits expense	23	15,51,85,812	15,49,85,846
	(e) Finance costs	24	3,42,50,507	2,82,00,016
	(f) Depreciation and amortization expense			
	(g) Depreciation Expense (Refer Note No 3)		6,19,68,822	5,80,76,561
	(h) Other expenses	25	23,79,51,306	30,06,30,092
	Total Expenses (V)		89,30,23,429	85,67,92,376
(VI)	Profit(loss) before exceptional items and tax (IV - V)		18,66,00,654	22,33,97,826
(VII)	Exceptional items		-	-
(VIII)	Profit(loss) before tax (VI - VII)		18,66,00,247	22,33,98,233
(IX)	Tax Expense			
	Current tax /Short		2,87,25,351	8,49,89,319
	Less: MAT Credit entitlement		-	(1,94,75,406)
	Deferred tax Assets		(13,74,267)	1,13,65,460
	Total Tax Expense (a to c) - (IX)		2,73,51,084	7,68,79,373
(X)	Profit for the year (VIII - IX)		15,92,49,570	14,65,18,453
(XI)	Other Comprehensive Income/(Expense) (net of tax)			
	(i) Items that will not be re-classified subsequently to profit or loss			
	Re-measurement on defined benefit plans		6,75,391	(9,41,746)
	Change in Fair value of Current Investments through other comprehensive income		14,72,082	18,32,682
(XII)	Total of Other Comprehensive Income (i) + (ii)		21,47,473	8,90,936
(XIII)	Total Comprehensive Income (X + XII)		16,13,97,043	14,74,09,389
(XIV)	Earnings per equity share (Rs.)			
	Basic & Diluted	27	1.14	1.05

The accompanying notes are an integral part of the consolidated financial statements. (Refer Notes 1- 39)
As per our report of even date attached

The accompanying notes are an integral part of the consolidated financial statements. (Refer Notes 1- 39)
As per our report of even date attached

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Registration Number : 121142W/W100122

Jayesh Dadia
Partner
Membership Number : 033973

Mumbai,
Date : 09th June 2021

For and on behalf of the Board of Directors

Asit D Javeri
Executive Chairman

Abhishek A Javeri
Managing Director & CFO

Smt. Seema A Javeri
Executive Director
Administration

Priyam S Jhaveri
Director

Nitin R Jani
Company Secretary



Sadhana Nitro Chem Ltd
Consolidated Cash Flow Statement for the year ended March 31, 2021

(Amount in Rs.)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
A. Cash flow from operating activities				
Profit before tax		18,66,00,654		22,33,97,826
Adjustments for:				
Depreciation and amortisation expenses	6,19,68,822		5,80,76,551	
Surplus/(Deficit) share in profit of subsidiary on audit of its accounts for the previous year	(2,72,03,607)		1,85,96,472	
Interest on Lease Liability	39,99,575		-	
Profit on Sale of assets	(38,93,771)		-	
Interest Expense	3,01,05,435		2,82,60,015	
Sundry balance Written back	(2,98,90,610)		-	
Dividend Received	-		(4,89,881)	
Interest received	(44,14,748)		(59,58,450)	
Provision for Doubtful Debts	58,853		8,19,959	
(Gain) / Loss on Fair Valuation of Forward Contracts	(58,11,338)		58,75,661	
Notional Interest & Rent on Deposits	4,783		-	
(Gain) / Loss on Fair Valuation of Lease Liability	(29,97,847)		-	
Sundry Balances Written off	16,31,831		-	
Reversal of ESOP Expenses	-		(97,06,989)	
Changes in Other comprehensive Income	-		(13,28,648)	
		2,35,57,377		9,41,44,690
Operating profit / (loss) before working capital changes		21,01,58,031		31,75,42,516
Changes in working capital:				
Trade Payables	6,92,37,931		9,89,35,576	
Current Liabilities	1,02,59,991		(15,41,30,515)	
Provisions	(55,22,046)		83,96,417	
Loans and advances	30,09,820		(5,98,718)	
Inventories	(13,84,56,172)		(10,65,19,972)	
Other Current Asset	5,64,35,378		(1,02,86,304)	
Trade receivables	(19,26,86,782)		(14,12,35,464)	
		(19,77,31,880)		(30,74,38,980)
Cash generated from operations		1,24,26,151		1,01,03,536
a. Direct Taxes (Paid)		(58,17,076)		(17,79,25,889)
Net cash flow from / (used in) operating activities (A)		66,09,073		(16,76,22,353)
B. Cash flow from / (used in) investing activities				
a. Capital expenditure on Fixed Assets	(8,81,68,671)		(22,08,55,137)	
Sale of Property, plant and equipment	82,00,000		-	
Advance given for Capital Expenditure	(15,40,02,836)		-	
b. Acquisition / Sale of Investment (Net)	(52,56,918)		7,29,166	
c. Redemption / Investment in deposits against BG	8,76,477		-	
d. Repayment received for loans given	45,00,000		-	
e. Dividend received	-		4,89,881	
f. Interest received	2,72,662		19,88,518	
Repayment received for loans given	-	(23,35,79,286)	-	
Net cash flow from / (used in) investing activities (B)		(23,35,79,286)		(21,78,47,572)
C. Cash flow from / (used in) financing activities				
a. Long Term Borrowings -Net of Repayment	28,11,97,435		(1,00,30,250)	
b. Short Term Borrowings -Net of Repayment	5,72,91,375		39,06,73,052	
c. Finance cost paid	(2,92,10,150)		(2,90,23,616)	
d. Dividend paid including dividend distribution tax	-		(4,51,26,316)	
f. Payment towards lease liability	(86,51,286)		(1,28,91,785)	
Net cash flow from / (used in) financing activities (C)		30,06,27,374		29,56,01,079
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		7,36,57,161		(5,56,66,846)
Cash and cash equivalents at the beginning of the year		(3,78,49,477)		4,80,19,369
Cash and cash equivalents at the end of the year		3,58,07,684		(3,76,49,477)



Sadhana Nitro Chem Ltd
Consolidated Cash Flow Statement for the year ended March 31, 2021

(Amount in Rs.)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
Cash and cash equivalent as per above comprises of the following				
Cash and cash equivalent as per note 11				
Cash in hand	1,17,591		1,71,029	
Balance with banks (on current accounts)	10,93,81,653		50,25,546	
Fixed deposit shown under cash and cash equivalent	-		1,71,179	
	10,94,99,244		53,67,754	
Bank overdrafts / Cash credit (Note 15B)	(7,36,91,580)		(4,32,17,231)	
Balance as per statement of cash flows	3,58,07,664		(3,78,49,477)	
<p>1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.</p> <p>2. Addition to property, plant and equipment include movements of capital work progress during the year.</p>				

The accompanying notes are an integral part of the Standalone financial statements. (Refer Notes 1- 39)
As per our report of even date attached

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Registration Number :121142W/W100122

Jayesh Dadia
Partner
Membership Number : 033973

Mumbai
Date: 09th June 2021

For and on behalf of the Board of Directors

Asit D Javeri
Executive Chairman

Priyam S Jhaveri
Director

Abhishek A Javeri
Managing Director & CFO

Nitin R Jani
Company Secretary

Smt. Seema A Javeri
Executive Director
Administration

**Sadhana Nitro Chem Limited****Audited Notes to Standalone financial statements for 31st March, 2021****1. CORPORATE INFORMATION****1.1 Nature of Operations**

Sadhana Nitro Chem Limited (the Parent Company) was incorporated on July 21, 1973. The Group is engaged in Manufacturing of chemical intermediates, heavy organic chemicals and performance chemicals and wireless network equipment and services. As on 31st March, 2020 Manekchand Panachand Trading Investment Company Pvt Ltd, holding company owned 63.99 % of the parent company's equity share capital. The parent company's shares are listed on the Bombay Stock Exchange (BSE). The consolidated financial statements comprises financials of the parent company and its subsidiaries (referred to collectively as "the Group")

1.2 Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

These consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Company's annual report date, March 31, 2020. These consolidated financial statements were authorized for issuance by the Company's Board of Directors on July 29, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES:**2.1 Basis of preparation and presentation**

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price which that would be received or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.2 Principles of Consolidation

2.2.1 Subsidiaries are entities controlled by the Parent Company. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The financial statements of the subsidiaries are included in the consolidated Ind AS financial statements from the date on which control commences until the date on which the control ceases.

2.2.2 The consolidated Ind AS financial statements comprise of the financial statement of the Parent Company and its subsidiaries referred herein in Para 2.2.9 below. The financial statements of the Parent Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, incomes and expenses after eliminating intra-group balances, intra group transactions and unrealized profits resulting there from and are presented to the extent possible, in the same manner as the Group's independent financial statements.

2.2.3 In case of foreign subsidiary, revenue items are converted at the average rates prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the "Foreign Currency Translation Reserve".

2.2.4 The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. The financial statements of the subsidiaries used in consolidation are drawn up to the same reporting date as that of the Parent Company i.e., year ended March 31, 2020.

2.2.5 Non-controlling interests (NCI) in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity.

2.2.6 Non-controlling interests in the net assets of consolidated subsidiaries consists of:

- (a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and
- (b) The non-controlling interests' share of movements in equity since the date parent subsidiary relationship came into existence.

(c) The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the Statement of Profit and Loss and Statement of Changes in Equity.

2.2.7 Loss of Control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in the Statement of Profit & Loss.

2.2.8 Goodwill

Goodwill comprises the portion of the purchase price for an acquisition that exceeds the Group's share in the identifiable assets, with deduction for liabilities, calculated on the date of acquisition. Goodwill is deemed to have an indefinite useful life and is reported at the acquisition value with deduction for accumulated impairments. An impairment test of goodwill is conducted once every year or more often if there is an indication of a decrease in value. The impairment loss on goodwill is reported in the Statement of Profit & Loss.

2.2.9 The subsidiary companies/entities considered in the consolidated financial statements are:

- (a) AnuChem BVBA, Belgium - Wholly Owned Subsidiary
- (b) Spidigo Net Private Limited, India - Wholly Owned Subsidiary

2.3 Use of estimate

"The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of Fair valuation of financial instruments, useful lives of property, plant and equipment, valuation of deferred tax Assets & liabilities and provisions and contingent liabilities.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets & Liabilities

The Company reviews the carrying amount of deferred tax assets & Liabilities at the end of each reporting period. The policy for the same has been explained under Note 2.10.

Provisions and contingent liabilities

"Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to unwinding of discount over passage of time is recognized as finance cost. Provisions are reviewed at the each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. A provision for onerous contracts is recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the company recognizes any impairment loss on the assets associated with that contract."

"A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements."

Fair value measurements and valuation processes

Some of the company's assets and liabilities are measured at fair value for financial reporting purposes. The company has obtained independent fair valuation for financial instruments wherever necessary to determine the appropriate valuation techniques and inputs for fair value measurements. In some cases the fair value of financial instruments is done internally by the management of the Company using market-observable inputs.

In estimating the fair value of an asset or a liability, the company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the company engages third party qualified valuers to perform the valuation. The qualified external valuers establish the appropriate valuation techniques and inputs to the model. The external valuers report to the management of the Company their findings for every reporting period to explain the cause of fluctuations in the fair value of the assets and liabilities.

2.4 Revenue Recognition

i. Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch/ delivery of goods based on contract with customers.

Revenue is measured on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives and returns, if any, as specified in the contracts with customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discount/ incentive and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and arrangements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

The Company has adopted Ind AS 115 Revenue from Contract with Customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with its customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

ii. Other Income

a. Dividend income from investments is recognised when the shareholder's right to receive payment has been established which is when the shareholders approve the dividend, (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

b. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.5 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-

use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

2.6 Foreign Currency Transactions & Translations

"The functional currency of the Group is Indian rupee. Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date. Exchange rate differences resulting from foreign currency transactions settled during the period including year-end translation of assets & liabilities are recognised in the statement of profit and loss. Non-monetary assets which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of initial transaction."

Changes in fair value of forward contracts designated as fair value hedge are recognised in the statement of profit and loss.

2.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Capitalization of borrowing cost is suspended and charges to the statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 Government grants

"(i) Government grants in respect to manufacturing units located in developing regions :The Company is entitled to various incentives from government authorities in respect of manufacturing units located in developing regions. The Company accounts for its entitlements on accrual basis on approval of the initial claim by the relevant authorities and there is reasonable assurance that the grants will be received."

"(ii) Government grants in respect of additional Capital Expenditures :Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets is accounted for as deferred income. The grant is recognised as income over the life of a depreciable asset by accounting deferred income in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset."

"(iii) Export Incentives Export incentives under various schemes are accounted for in the year of export."

2.9 Employee benefits

"(1) Defined Contribution Plan: Payments to defined contribution retirement benefit schemes viz. Company's Provident Fund Scheme and Superannuation Fund are recognised as an expense when the employees have rendered the service entitling them to the contribution."

"(2) Defined Benefit Plan:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur."

"Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows: • service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); • net interest expense or income; and • remeasurement."

i) Gratuity: The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15/26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation. The Company has taken a Group Gratuity cum Life Assurance Scheme with Life Insurance Corporation for future payment of gratuity to the eligible employees.

(ii) Compensated Absences: The Company provides for the encashment of compensated absences with pay subject to certain rules. The employees are entitled to accumulate compensated absences subject to certain limits, for future

encashment. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit and the accumulated leave expected to be carried forward beyond twelve month is treated as long-term employee benefit which are provided based on the number of days of un utilised compensated absence on the basis of an independent actuarial valuation.

2.10 Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax expense represents the sum of the tax currently payable and deferred tax.

"Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period."

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis

Taxes Paid include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as advance tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

"Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction."

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.11 Property, Plant and Equipment

Property, plant and equipment held for use in production or supply of goods or services or for administrative purposes are stated at cost less accumulated depreciation/amortization less accumulated impairment, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use.

"Depreciation is recognized (other than on capital work-in-progress) on a straight line basis over the estimated useful lives of assets in respect of property plant & equipment & computers acquired after 1st April 2006. Property plant & equipment including non factory building furniture fixtures & vehicles acquired prior to 1st April 2006 are depreciated under WDV Method at the rates prescribed under Schedule II of Companies Act, 2013. Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement."

The economic useful lives of assets is assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

"Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part. "

Freehold land is not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

2.12 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized on a straight line basis over their estimated useful lives of 5 years, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, the amortization method and the amortization period are reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the profit or loss when the asset is derecognised.

2.13 Impairment of tangible and intangible assets other than goodwill:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit and loss.

2.14 Inventories

Inventories of raw materials, stock-in-trade, stores & spares, Fuel, packing material, work in progress, stock in trade and finished goods are valued at the lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary. 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 and all others are valued on a FIFO basis.

2.15 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

"Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage."

"Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

"Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

"Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss."

"Investment in subsidiaries

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements."

"Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method."

"Financial guarantee contracts:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by a holding company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of :• The amount of loss allowance determined in accordance with impairment requirements of IND AS 109; and• The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of INDAS 18."

"Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost."

"Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest."

"Offsetting of financial instruments Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously."

2.16 Earnings Per Share (EPS)

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

2.17 Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

2.18 Current/Non-Current Classification

"The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria: - It is expected to be realized or intended to be sold or consumed in normal operating cycle - It is held primarily for the purpose of trading - It is expected to be realized within 12 months after the date of reporting period, or - Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting period."

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

"A liability is current when it satisfies any of the following criteria: - It is expected to be settled in normal operating cycle - It is held primarily for the purpose of trading - It is due to be settled within 12 months after the reporting period, or - There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period Current liabilities include the current portion of long term financial liabilities. The Company classifies all other liabilities as non-current."

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

2.19 Share Capital

"Ordinary Shares Ordinary shares are classified as equity. Incremental costs, if any, directly attributable to the issue of ordinary shares are recognized as a deduction from other equity, net of any tax effects."

2.20 Fair Value Measurement

"Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either: - in the principle market for the asset or liability - in the absence of principle market, in the most advantageous market for the asset or liability. The principle or the most advantageous market must be accessible by the Company."

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

"All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (Unadjusted) Market prices in active markets for identical assets or liabilities- Level 2 –Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation Techniques for which the lowest level input that is significant to the fair value measurement is unobservable"

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers that have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Determination of Fair Value

"1) Financial Assets - Debt Instruments at amortized cost

After initial measurement the financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR."

"2) Financial Assets - Debt Instruments at Fair Value through Other Comprehensive Income (FVTOCI)

Measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L."

"3) Debt instruments & derivatives at Fair Value through Profit or Loss (FVTPL)FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL."

"4) Equity Instruments at Fair Value through Other Comprehensive Income

On initial recognition, the Company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in their comprehensive income pertaining to investments in equity instruments. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognized in other comprehensive income. This cumulative gain or loss is not reclassified to profit or loss on disposal of the investments."

5) Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit & loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Companies financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments."

Subsequent Measurement

Fair value through Profit & Loss Financial liabilities at fair value through profit & loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. All changes in fair value of such liabilities are recognised in statement of profit or loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as finance costs in the statement of profit and loss."

2.21 Dividend

Dividend on share is recorded as liability on the date of approval by the shareholders and is shown gross of Dividend Distribution tax as a reduction from retained earnings under Other Equity.

2.22 Segment Reporting

The Group has two operating/reportable segment based on geographical area, i.e. domestic sales and export sales. The operating segments is managed separately as each involves different regulations, marketing approaches and other resources. These operating segments are monitored by the Group's chief operating decision maker and strategic decisions are made on the basis of segment operating results. All inter-segment transfers are carried out at arm's length prices based on prices charged to unrelated customers in standalone sales of identical goods or services.

For management purposes, the Group uses the same measurement policies as those used in its financial statements. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

Sadhana Nitro Chem Ltd
Notes forming part of the Consolidated financial Statements for the year ended March 31, 2021
Statement of Changes in Equity for the year ended March 31, 2021

A)

Equity Share Capital

	Amount
Balance As April 01, 2019	9,31,51,490
Change In equity Share Capital during the Year	
Balance at March 31, 2020	9,31,51,490
Issue of Bonus Shares (4,65,75,745 No of equity shares of Re 1 Each)	4,65,75,745
Balance at March, 2021	13,97,27,235

(Amount in Rs.)

B)

Change in Other Equity

Particulars	Equity Share Capital Subscribed	General reserve	Capital Redemption Reserve	Capital reserve	Transition reserve	Share payment reserve	Securities Premium	Retained earnings	Other Equity	Total Equity
Balance as at April 1, 2019	93,151,490	133,329,306	96,500,000	239,666	89,449,427	9,706,989	9,376,727	621,263,349	959,866,294	1,052,017,784
Profit for the year	-	-	-	-	-	-	-	146,516,453	146,516,453	146,516,453
Other Comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	890,936	890,936	890,936
Total comprehensive income	-	-	-	-	-	-	-	147,409,389	147,409,389	147,409,389
Addition During The Year	-	-	-	9,592	-	-	-	-	9,592	9,592
Dividend including dividend distribution tax	-	-	-	-	-	-	-	(45,009,876)	(45,009,876)	(45,009,876)
Surplus share in the profit of the subsidiary on finalization of the audited accounts of the subsidiary.	-	-	-	-	-	-	-	19,596,472	19,596,472	19,596,472
Reversal of ESOP expenses recognized earlier due to cancellation	-	-	-	-	-	(9,706,989)	-	-	19,706,989	(9,706,989)
Foreign currency monetary item translation difference amount	-	-	-	-	-	-	-	409,103	409,103	409,103
Balance as at March 31, 2020	93,151,490	133,329,306	96,500,000	249,468	89,449,427	-	9,376,727	742,668,437	1,070,573,985	1,183,725,675

Sadhana Nitro Chem Ltd
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021
Note No.3 : Property, Plant and Equipment

(Amount in Rs.)

Particular	Freehold Land	Factory Buildings	Non factory Buildings	Plant & Equipment	Furniture & Fixtures	Computers	Vehicles	Software	Right to use of assets	Lease office	Total	Capital work-in-progress
				Refer Footnote (i)			Refer Footnote (iii)					Refer Footnote (ii)
Gross Carrying amount												
Balance as at April 1, 2019	165,144,000	57,899,642	4,954,370	497,934,723	3,482,638	51,395,035	48,744,591	-	-	-	829,554,969	15,543,597
Additions	-	3,161,950	6,782,336	57,852,608	1,505,020	-	-	11,000,000	52,956,897	3,185,595	136,485,806	-
Disposals	-	-	-	-	-	42,402,101	-	-	-	-	42,402,101	-
Balance as at March 31, 2020	165,144,000	61,061,592	11,736,706	555,827,331	4,987,658	8,992,934	48,744,591	11,000,000	53,956,897	3,185,595	923,638,674	150,264,546
Additions	-	-	7,712,181	3,031,938	-	862,938	-	-	6,438,030	-	18,044,847	76,561,851
Disposals (Refer Foot Note iii)	-	-	-	73,036,335	-	-	-	-	-	-	73,036,335	-
Revaluation due to change in lease terms (Refer Foot Note iv)	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2021	165,144,000	61,061,592	19,448,887	485,852,694	4,987,658	9,855,842	48,744,591	11,000,000	55,373,167	3,185,595	964,955,426	226,826,397
Accumulated Depreciation												
Balance as at 1st April, 2019	-	6,694,352	1,506,056	76,256,946	1,650,531	4,748,133	934,549	-	-	-	91,290,659	-
Depreciation for the Year	-	2,781,430	376,574	30,933,995	198,645	700,259	6,224,884	550,000	10,150,069	637,389	52,553,265	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2020	-	9,475,822	1,382,632	107,190,941	1,849,176	5,448,402	7,159,433	550,000	10,150,069	637,389	169,071,638	-
Additions (Depreciation for the Year)	-	2,598,783	587,892	37,878,912	401,351	1,001,935	6,222,476	2,200,000	10,439,073	637,400	61,968,822	-
Disposals (Refer Foot Note iii)	-	-	-	61,228,279	-	-	-	-	-	-	61,228,279	-
Balance as at 31st March, 2021	-	12,075,605	1,970,524	83,843,624	2,250,527	6,450,337	13,381,909	2,750,000	20,589,142	1,274,789	144,586,467	-
Net carrying amount												
Balance as at 31st March 2020	165,144,000	51,585,770	10,354,074	448,636,340	3,136,482	3,544,522	41,595,158	10,450,000	42,906,826	2,549,596	779,794,790	150,264,546
Balance as at 31st March 2021	165,144,000	48,985,987	17,478,363	402,008,070	2,737,131	3,405,505	35,362,682	8,250,000	34,784,023	1,972,196	720,066,959	226,826,397

Footnotes:

(i) Plant & Equipment includes Office Equipments

(ii) Refer Note 15(a)(b) & (d) for information on Property, plant & equipment pledged as security by the Holding company.

(iii) During the year ended March 31, 2021, The Wireless Network Equipment Services Division of the Holding company has converted a significant portion of its plant equipment in to stock in trade at book value of Rs.73,820/- . The impact of the same has been given

(iv) In the above note as disposal of assets during the year, the corresponding impact has resulted in increase of wireless network equipment as at March 31, 2021

(v) During the year ended March 31, 2021 the Holding company has received significant waivers in lease rentals due to lockdown imposed by the Central & state Governments owing to the spread of the Covid-19 pandemic. Accordingly the Company has revalued its lease obligations after considering the waivers received and recomputed the value of its lease liabilities and right of use assets. This has resulted in a reduction in the value of the right of use assets by an amount of Rs. 40,21,760

Sadhana Nitro Chem Ltd
Notes forming part of the Consolidated financial Statements for the year ended March 31, 2021
Statement of Changes in Equity for the year ended March 31, 2021

Equity Share Capital / Subscription	General Reserve	Capital Redemption Reserve	Capital Reserve	Transition reserve	Share payment reserve	Securities Premium	Reserve earnings	Accumulated Gain / (Loss)	Total Equity	Total Equity
Balance as at April 1, 2020	93,151,490	133,329,906	96,500,000	249,468	88,449,427	-	9,376,727	742,668,437	1,070,573,985	1,463,725,476
Profit for the year	-	-	-	-	-	-	-	159,249,163	159,249,163	159,249,163
Other Comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	2,147,473	2,147,473	2,147,473
Total comprehensive income	-	-	-	-	-	-	-	161,396,636	161,396,636	161,396,636
Issue of Bonus shares	46,575,745	-	-	(37,199,018)	-	-	(9,376,727)	-	(46,575,745)	-
Reduction in reserves of subsidiary company in accordance with the audited accounts as at 31.03.2020	-	-	-	-	-	-	-	(45,285,873)	(45,285,873)	(45,285,873)
Add/(less): Foreign currency monetary item translation difference account	-	-	-	-	-	-	-	211,370	211,370	211,370
Foreign Currency Reserve	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	139,727,235	133,329,906	56,300,982	249,468	88,449,427	-	-	858,980,570	1,140,320,373	1,280,047,808

The accompanying notes are an integral part of the consolidated financial statements. (Refer Notes 1 - 39)

As per our report of even date attached

For Jayesh Dadia & Associates LLP
 Firm Registration Number : 121142W/W/100122
 Chartered Accountants

Jayesh Dadia
 Partner
 Membership Number : 033973

Mumbai
 Date : 09th June 2021

For and on behalf of the Board of Directors

Asit D. Javeri
 Executive Chairman

Abhishek A. Javeri
 Managing Director & CFO

Smt. Seema A. Javeri
 Executive Director
 Administration

Priyam S. Jhaveri
 Director

Nitin R. Jani
 Company Secretary

Sadhana Nitro Chem Ltd

Notes forming part of the Consolidated financial Statements for the year ended March 31, 2021

Note 3B: Intangible Assets

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
	Goodwill-		
(a)	On consolidation of Strix Wireless Systems Private Limited(Refer Note (I) below)	63,623,270	63,623,270
		63,623,270	63,623,270

Footnotes:

(I) During the year the company acquired the entire shares of Spidigo Net Pvt Ltd. As a result Spidigo Net Pvt Ltd. has become its wholly owned subsidiary with effect from March 11, 2019 and Goodwill on consolidation amounting to Rs 63,623,270 being the difference between the net assets and the value of investments recorded in the books of the holding company.

Note 4A: Investments

Sr. No	Particular	March 31, 2021		March 31, 2020	
		Holding As At	Rs.	Holding As At	Rs.
	Non Current investments investment in equity instruments (Fully paid up)				
(I)	Other investments at fair value through other comprehensive income				
	Quoted				
	Anco Communication Ltd	500	71,788	500	71,788
	Enars Finance Ltd	3,900	78,000	3,900	78,000
	Indian Extractions Ltd	18,000	5,08,194	18,000	5,08,194
	Indo-biotech Ltd	5,000	1,91,250	5,000	1,91,250
	First object Technologies Ltd	2,000	81,400	2,000	81,400
	Maxworth orchards Ltd	1,300	13,000	1,300	13,000
	Ojas Technochem Products Ltd	5,000	1,31,495	5,000	1,31,495
		35,700	10,75,127	35,700	10,75,127
	Less: Provision for decline other than temporary, in value of non current investments		10,75,127		10,75,127
	Total (B)		-		-
	Total (A+B)		7,72,549		7,72,549
	Footnotes :				
	(i) Aggregate cost of quoted investments				
	Aggregate market value of quoted investments		10,75,127		10,75,127
	(ii) Aggregate value of unquoted investments		10,75,127		10,75,127

Note 4 B: Current Investments

(Amount in Rs.)

Sr. No	Particular	March 31, 2021		March 31, 2020	
		No of Unit	Amount	No of Unit	Amount
	Investments measured at fair value through other comprehensive income				
(i)	In Mutual Funds				
	Quoted				
	L & T Long Duration Growth	12,98,141	2,87,89,275	12,98,141	2,78,77,992
	HDFC Long Duration Growth	6,62,552	2,98,21,522	6,62,552	2,72,38,256
	Aditya Birla Sun Life Low Duration Fund	10,248	52,85,921		
	Total		6,38,96,718		5,51,16,248
	(i) Aggregate cost of quoted investments		5,52,85,920		5,01,03,496
	Aggregate market value of quoted investments		6,38,96,718		5,51,16,248

**Note 5 - Loans****(Amount in Rs.)**

Sr. No	Particulars	March 31, 2021	March 31, 2020
A	Non Current Loans (Unsecured Considered Good , unless otherwise stated)		
(i)	Loan to staff	16,70,892	21,92,186
(ii)	Others Including Security deposit	54,920	2,93,920
	Total	17,25,812	25,36,105

Sr. No	Particulars	March 31, 2021	March 31, 2020
B	Current Loans (Unsecured Considered Good , unless otherwise stated)		
(i)	Others Including Security deposit *	11,39,679	2,81,831
	Total	11,39,679	2,81,831
	* Others include Salary Advance	90,781	35,989
	Total	90,781	35,989

Note 6 - Other financial assets**(Amount in Rs.)**

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
B	Current Financial Assets		
	(i) Inter corporate Deposits (Refer Note (i)Below)	4,00,00,000	4,45,00,000
	Others:		
	Interest accrued on deposit	1,02,00,301	60,61,192
	Advance recoverable in cash or kind	-	23,39,368
	Bank FD Interest accrued	23,543	20,566
	Chandra Net Pvt Ltd	-	3,61,31,457
	Pace Internet Pvt Ltd	-	44,99,435
	Others receivable	7,85,602	2,76,580
	Total	5,10,09,446	9,38,28,598

Footnotes:

(i) Includes secured Inter Corporate Deposits of Rs 4 Crores given to a related party


Note No. 7 - Deferred tax Liabilities / (Asset) (Net)
(Amount in Rs.)

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
	Deferred Tax Liability		
(i)	Depreciation on fixed assets	4,46,10,233	4,75,80,848
(ii)	Fair Valuation of Investments	20,51,470	13,64,620
	Gross Deferred Tax Liability - (1)	4,66,61,703	4,89,45,468
	Deferred Tax Asset		
(i)	Employee Benefit obligations	(1,88,27,810)	(1,88,89,161)
(ii)	Brought forward unabsorbed depreciation to be carried forward to next years	-	-
	Other disallowable expenses	(18,23,861)	(20,12,146)
	Gross Deferred Tax Asset - (2)	(1,84,51,671)	(2,07,01,307)
	Net Deferred Tax Liability / (Asset) (1-2)	2,82,10,032	2,82,44,161

For the year ended March 3, 2020	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred Tax Liability				
Plant Property Equipmen	47,580,848	(2,970,615)	-	44,610,233
	1,364,820	(1,364,620)	2,051,470	2,051,470
Gross Deferred Tax Liability	48,945,468	(4,335,235)	2,051,470	46,661,703
Deferred Tax Asset				
Deferred Tax asset				
Defined benefit obligation	(18,689,161)	1,834,199	227,152	(16,627,810)
Other Disallowable Expenses	(2,012,146)	188,285	-	(1,823,861)
Gross Deferred Tax Asset(2)	(20,701,307)	2,022,484	227,152	(18,451,671)
Net Deferred Tax Liability/(Asset) (1-2)	28,244,161	(2,312,751)	2,278,622	28,210,032



Sadhana Nitro Chem Ltd
Notes forming part of the Consolidated financial Statements for the year ended March 31, 2021

Note 8 - Other Assets
(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
A	Non Current Assets		
(i)	Capital advance	18,37,08,757	2,97,05,921
(ii)	Security Deposits with Public Bodies and others	2,12,14,177	1,19,95,020
(iii)	Balance with Statutory/Revenue Authorities	-	5,52,159
(iv)	Prepaid Expenses	-	40,613
	Total	20,49,22,934	4,22,93,713

Sr. No	Particulars	March 31, 2021	March 31, 2020
B	Current Assets		
(i)	Balance with Statutory/Revenue Authorities	9,77,29,508	9,83,87,201
(ii)	Advance to Vendor	2,03,48,534	5,14,85,456
(iii)	Prepaid Expenses	79,03,211	33,35,103
(iv)	Deposit with Court	6,50,000	-
	Total	12,66,31,253	15,32,07,760

Note - 9 : Inventories (At lower of cost and net realisable value)
(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
	Valued & certified by the Management		
(i)	Raw materials(Include Packing Materials Rs. 17,79,825/- (Previous year Rs. 16,48,644/-)	17,362,325	38,523,861
(ii)	Work-in-progress	142,469,336	120,011,730
(iii)	Finished Goods	443,909,970	308,340,980
(iv)	Goods in Transit (Raw Material)	3,208,276	-
(v)	Stores & Spares	55,481,254	49,198,388
(vi)	Others (Fuel,Packing Material)	800,819	1,127,407
	Total	663,231,980	517,202,386

Footnotes:

(i) Refer Note no 15C(d) for information on Inventories mortgaged as security for borrowings .

Note No. 10 - Trade receivables
(Amount in Rs.)

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Unsecured		
	Considered good		
	o/s more than 6 months	10,06,53,170	4,03,46,482
	others	38,58,75,172	24,76,32,592
(ii)	Considered doubtful	32,79,834	32,79,834
		48,98,08,176	29,12,58,908
	Less : Allowance for doubtful debts	(8,19,959)	(8,19,959)
	Total	48,89,88,217	29,04,38,949

Footnotes :

1. Trade receivables are dues in respect of goods sold in the normal course of business.
2. The normal credit period allowed by the company ranges from 60 to 90 days.
3. Trade receivable include receivables from related parties Rs. 61,12,3250 /- (P.Y. - Rs. 6527250)
4. Refer Note no 15C(d) for information on Trade Receivables mortgaged as security for borrowings .
5. Refer note no 26(i) for Credit Risk



Sadhana Nitro Chem Limited
Notes forming part of the Consolidated financial Statements for the year ended March 31, 2021

Note - 11 : Cash and Cash Equivalents

(Amount in Rs.)

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Cash in hand	1,71,591	1,71,029
(ii)	Balance with bank in current account	10,93,91,653	50,25,545
(iii)	Fixed Deposits	-	1,71,179
	Total	10,94,99,244	52,67,754

Note - 12 : Other Balances with Bank

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Call and short term deposit accounts		
	Margin money Deposits with original Maturity < 12 Months (Refer Note no (i) below)	12,99,778	21,76,255
(ii)	Dividend Account	8,42,256	4,70,405
	Total	19,42,034	26,46,660

Footnotes :

(a) Deposits with carrying amount of Rs 12,99,778/- (March 31, 2020 - Rs 21,76,255) are subject to first charge against bank guarantees.

Note 13 : Equity Share Capital

(Amount in Rs.)

Particulars	March 31, 2021	March 31, 2020
Authorised Capital:* 10,50,00,000 Equity Shares of Rs. 1/- each (March 31, 2020: 10,50,00,000 Equity Shares of Rs. 1/- each) & 1,10,00,000 Preference shares of Rs. 10/- each)	10,50,00,000	10,00,00,000
Issued Subscribed & Paid up: 13,97,27,253 Equity Shares of Rs. 1/- each fully paid (Refer note no (ii) below) (March 31, 2020: 9,31,51,490 Equity Shares of Rs. 1/- each) (Refer note no (ii) below)	93,151,490	93,151,490
Total	13,97,27,235	9,31,51,490

Footnotes:

(i): During the year ended 31st March, 2021, the Company has issued and allotted 4,66,75,745 equity shares of Rs. 1/- each to eligible shareholders of equity shares on the book closure date (i.e. 18th September, 2020) as fully paid up bonus equity shares by capitalizing reserves.

(ii) - Sub - division of Equity shares : On 17th March, 2020, pursuant to a approval of the members in the extra ordinary general meeting, the Company sub divided the equity shares of the face value of Rs 5/- to share of the value of Rs 1/- per share. Unless otherwise noted, impacted amounts and share information included in the financial statements relating to authorised, issued and subscribed capital have been adjusted for the subdivision.

(c) Shareholders holding more than 5% shares in the Company :

Particulars	March 31, 2020 Equity Share		March 31, 2019 Equity Share	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares of Rs. 1/- each (P.Y.Rs. 1/-) fully paid				
Manekchand Parachand Trading Investment Co.Pvt.Ltd	8,94,09,165	63.99	5,96,06,110	63.99
Asit Javeri	83,51,953	5.98	55,67,510	5.98

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



(d) Equity Shares in the entity held by holding company:

Particulars	March 31, 2020		March 31, 2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Manekchand Parachand Trading Investment Co. Pvt. Ltd	8,94,09,165	63.99	5,960,110	63.99
* adjusted for sub-division of shares.				

Note 14 : Other Equity

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Reserves and Surplus		
	Capital Reserve		
	Opening balance	2,49,488	2,39,896
	Addition / (deletion)	-	9,692
	Closing balance	2,49,488	2,49,488
(ii)	Capital Redemption Reserve		
	Opening balance	9,65,00,000	9,65,00,000
	Less: Utilized for issued of Bonus shares	(3,71,99,018)	-
	Closing Balance	5,93,00,982	9,65,00,000
(iii)	Securities Premium Account		
	Opening balance	93,76,727	93,76,727
	Less: Utilized for issued of Bonus shares	(93,76,727)	-
	Closing balance	-	93,76,727
(iv)	Retained Earnings		
	Opening balance	74,26,68,437	62,12,63,349
	Other comprehensive income	21,47,473	8,90,936
	Profit for the year	15,92,49,570	14,65,18,453
	a) Reduction in reserves of subsidiary company in accordance with the audited accounts as at 31.03.2020	(4,52,85,673)	-
	b) Surplus share in the profit of the subsidiary on finalization of the audited accounts of the subsidiary	-	1,85,96,472
	c) Dividend including dividend distribution tax	-	(4,60,39,676)
	Add/(less): Foreign currency monetary item translation difference account	1,82,93,229	4,09,103
	Closing balance	87,70,72,839	74,26,68,437
(v)	Transition Reserve		
	Opening and Closing balance	8,84,49,427	8,84,49,427
(vi)	General Reserve		
	Opening and Closing balance	13,33,29,806	13,33,29,806
(vii)	Employee Share Based Payment reserve (Refer Note No 30)		
	Opening Balance	-	97,06,989
	Add: Additions	-	-
	Reversed on cancellation of ESOP	-	(97,06,989)
	Closing Balance	-	-
	Total	11,58,40,2,639	1,07,05,73,985



Footnotes 15C Continued..

(e) Terms of repayment

Term Loan - Banks

(Amount in Rs.)

Particulars	Rate of Interest	Year of Maturity	March 31, 2021			March 31, 2020	
			No of Installments Left	Year of Maturity	Amount Outstanding as at March 31, 2020	No of Installments Left	Amount Outstanding as at
Bank Name							
HDFC BANK	8.50%	2023-24	25	2023-24	9,77,143.91	38	13,71,064
HDFC BANK	8.50%	2023-24	25	2023-24	9,77,143.91	38	13,71,064
HDFC BANK	8.25%	2022-23	24	2022-23	45,01,663.00	36	64,88,055
HDFC BANK	8.25%	2022-23	24	2022-23	42,31,615.52	36	60,98,797
			Total		1,06,87,586		1,53,28,980
			Less: Current maturity of long term borrowings shown in current liabilities				42,47,473
			Balance				1,10,81,507
Term Loan - Others							
Financial Institution							
Hero Fincorp Ltd	12.75%	2022-23	18	2022-23	11,38,736.00	30	17,06,152
Hero Fincorp Ltd	12.75%	2022-23	18	2022-23	11,21,508.00	30	16,79,341
Hero Fincorp Ltd	12.75%	2022-23	21	2022-23	9,31,400.00	33	13,20,397
Kotak Mahindra Prime Ltd	9.15%	2023-24	35	2023-24	31,89,741.00	47	40,56,550
Kotak Mahindra Prime Ltd	9.15%	2023-24	35	2023-24	31,89,741.00	47	40,56,550
Aditya Birla Finance Ltd.	10.50%	2030-31	119	2030-31	12,90,86,693.34	-	-
Bajaj Finance Ltd	9.75%	2026-27	48	2026-27	10,00,00,000.00	-	-
North Arc Capital Ltd	14.00%	2024-25	36	2024-25	6,00,00,000.00	-	-
			Total		29,56,57,819		1,28,18,990
			Less: Current maturity of long term borrowings shown in current liabilities			35,01,626	35,01,626
			Balance				93,17,626
			Total Balance as per 15A(a)				2,03,98,871

(f) The Group's exposure to liquidity interest rate and currency risks are disclosed in note no 26(ii)

Note 16 - Other financial liabilities

(Amount in Rs.)

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
	Current Financial Liabilities		
(i)	Current maturity of long term borrowings (Refer note 15 A(a))	2,92,30,581	77,49,099
(ii)	Advance from customers	58,15,701	41,23,472
(iii)	Interest accrued but not due on borrowings	12,92,966	3,97,681
(iv)	Redeemed Preference Share & Excess right issue (Unclaimed)	27,393	27,392
(v)	Creditors for Capital Expenditure	5,02,04,569	4,37,42,877
(vi)	Unclaimed Dividend	4,82,864	4,67,421
(vii)	Other payable	19,23,581	1,50,303
		8,89,77,655	5,68,58,245

**Capital Reserve :**

Capital Reserve is utilised in accordance with the provisions of the Act.

Capital Redemption Reserve

Capital redemption reserve represents reserve created on redemption of preference shares. It is non distributable reserve. During the year ended March 31, 2021 the company has utilised the part of the reserve towards issued of bonus shares

Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. This reserve is utilised in accordance with the provisions of the Act. During the year ended March 31, 2021 the company has utilised the whole of the reserve towards issued of bonus shares

Retained Earnings

The amount that can be distributed by the company as dividend to its equity shareholders

Transition Reserve

Transition Reserve represents reserve created on transition from Accounting Standards to Ind AS.

General Reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriation purpose.

Note - 15 : Borrowings**(Amount in Rs.)**

Sr. No	Particulars	March 31, 2021	March 31, 2020
A	Long Term Borrowings		
(a)	Secured Borrowings:		
(i)	Term loan - Bank (Refer Note 15C(a) below)	1,06,87,586	1,53,28,980
(ii)	Term Loan - Others (Refer Note 15C(b) below)	29,86,57,819	1,28,18,990
		30,93,45,405	2,81,47,970
	Less :Current Maturity of Long term borrowings disclosed under the head other financial liabilities (Refer Note 16)	2,92,30,581	77,49,099
	Total	28,01,14,824	2,03,98,871
B	Short Term Borrowings		
(a)	Secured Borrowings		
(i)	Working Capital Loan from Banks denominated in (Refer Note (c)(i) and (ii)) Foreign Currency	40,65,05,751	37,99,24,879
	Indian Currency	7,36,91,560	4,32,17,231
(b)	Unsecured Borrowings		
(i)	Inter Corporate Deposit (Refer note 15C(e) below)	1,00,00,000	34,82,499
(ii)	Loans from Directors	3,25,90,660	83,97,658
	Total	52,27,87,971	43,50,22,267

C Footnotes:

(a) Term loan from a bank is secured by charge on motor vehicles. Refer Note (f) below for terms of repayment , interest etc.

(b) Term loans - others are secured by charge on motor vehicles, plant and machinery, residential property situated at Roha, Raigad, Maharashtra and charge by way of lien on debt mutual fund of Rs. 52.86 lacs. Charge is yet to be registered in respect of two motor vehicles. Refer Note (f) below for terms of repayment, rate of interest etc.

(c) (i) The company has foreign currency working capital facilities from a Bank at interest rate of libor plus 4.25% pa. These facilities are secured by exclusive charge on present and future stocks and book debts, exclusive charge on entire plant and machinery , charge by way of pledge on debt mutual funds of Rs 566.11 lacs. Further secured by personal guarantee of Chairman and Managing Director and Corporate Guarantee of Holding Company.

(c) (ii) Further, the Company has working capital facilities in Indian currency from a bank carrying interest rate ranging between 5.76% to 12.00 % p.a. These facilities are repayable on demand, secured by way of first pari passu charge on the present and future current assets of the company, second pari passu charge on entire movable and immovable fixed assets of the company, present and future at plot no 47, MIDC, Roha Industrial Area, Raigad District - 402116 and further secured by personal guarantee of Chairman and Managing Director of the company

(d) Inter Corporate Deposits are carrying interest rate of 15% and repayable on or before April 2022



Sadhana Nitro Chem Limited
Notes forming part of the Consolidated financial Statements for the year ended March 31, 2021

Note 17 - Provisions

(Amount in Rs.)

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
A	Non Current		
(i)	Employee Benefit Obligations		
(ii)	Compensated absences	80,30,821	2,24,03,868
(iii)	Gratuity (Refer Note No. 29)	1,63,35,989	2,16,49,146
	Total	2,43,66,810	4,40,53,014
B	Current		
(i)	Employee Benefit Obligations		
(ii)	Compensated absences	2,18,80,472	99,91,170
(iii)	Gratuity (Refer Note No. 29)	1,68,57,949	1,45,75,198
	Provision for income tax	-	8,995
	Total	3,87,38,421	2,45,75,363
(i)	Movement in provisions	Gratuity	
	Opening balance	2,87,61,781	2,46,50,200
	Add/Less : Provision recognised / (reversed) during the year	41,11,581	41,11,581
	Closing balance	3,28,73,362	2,87,61,781

Note 18 - Other Liabilities

(Amount in Rs.)

Sr. No.	Particulars	March 31, 2021	March 31, 2020
B	Current		
(i)	Statutory Dues	3,47,28,905	3,42,05,012
(ii)	Employee Dues	2,94,40,149	2,31,68,789
(iii)	Deposit from Customer	1,13,74,066	1,15,25,695
(iv)	Income received in advance	-	14,16,930
(v)	Advance From Customer	1,17,73,312	1,04,02,298
(vi)	Other current liabilities	3,80,000	66,44,916
	Total	8,76,96,432	8,73,63,640

Note - 19 : Trade Payables

(Amount in Rs.)

Sr. No.	Particulars	As at March 31, 2021	March 31, 2020
(i)	Micro and Small Enterprises	71,25,275	43,55,787
(ii)	Others	2,51,66,762	21,48,89,788
	Total	25,87,92,896	21,92,45,575

Sadhana Nitro Chem Limited
Notes forming part of the Consolidated financial Statements for the year ended March 31, 2021

(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006			
	Particulars	March 31, 2021	March 31, 2020
	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:		
	-Principal amount due to Micro and small enterprises:	71,25,275	43,55,767
	-Interest due on above:	2,37,642	2,40,088
	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 appointment 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	2,37,642	2,40,088
	d) The amount of interest accrued and remaining unpaid at the end of accounting year.	10,08,205	7,70,563
	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 disallowances as a deductible expenditure under section 23.	10,08,205	7,70,563
(b)	The Company has initiated the process of identification of suppliers registered under the Micro, Small & Medium Enterprises Development Act, 2006, by obtaining confirmations from all suppliers. Information has been collated only to the extent of information received as at the balance sheet date	-	-
(c)	All trade payables are 'current'. The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note no 26(ii)	-	-

Note - 19A : Other Non-Current Liabilities

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Lease Liability	4,05,71,385	4,58,04,672
	Total	4,05,71,385	4,58,04,672

Note 20: Revenue from Operations

- 1 Details of revenue from contract with customers recognised by the company, net of indirect taxes in the statement of profit and loss.

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Sales of Products		
	(a) Chemical Intermediates	1,00,72,22,499	98,18,66,624
	(b) Wireless Network Equipments	46,64,591	58,75,312
	TOTAL	1,01,18,87,090	98,77,61,936
(ii)	Sale of services	18,62,618	4,04,84,710
(iii)	Other Operating Revenue		
	Sale of scrap & sales other	17,23,569	4,75,157
	Export Benefit	1,50,28,778	3,18,66,096
	Total	1,03,05,02,065	1,06,05,87,901

Sadhana Nitro Chem Limited
Notes forming part of the Consolidated financial Statements for the year ended March 31, 2021

(Amount in Rs.)

Sr No	Product Type:	March 31, 2021	March 31, 2020
(a)	Sale of Products		
	MAP	35,56,17,398	35,77,87,243
	SND 27 (ODB 2)	36,47,86,744	51,27,25,936
	Others	29,14,82,948	11,72,48,757
	Total	1,01,18,87,090	98,77,61,936
(b)	Sale of services	18,62,618	4,04,84,710
(c)	Other operating revenue		
	(i) Sale of scrap & sales other	17,23,569	4,75,157
	(ii) Export Benefit	1,50,28,778	3,18,66,098
	(iii) Sundry balances written back	-	-
	Total	1,67,52,347	3,23,41,255

Note - 21 Other Income

Sr No	Particulars	March 31, 2021	March 31, 2020
(i)	Interest Income on:		
	a) Deposits with banks and financial institutions		
	TDS ₹791 (P.Y ₹ 23109)	10,809	90,247
	b) Others	4,403,939	5,868,203
(ii)	Balances Written Back	29,690,610	-
(iii)	Other Miscellaneous income	3,280,381	1,003,866
(iv)	Gain On Forward Contracts	7,378,518	-
(v)	Foreign Exchange Gain	-	12,150,104
(v)	Profit on sale of Assets	3,993,771	-
(vi)	Dividend Received	-	-
	Current Investments	-	489,881
(vii)	Reversal of Provision for doubtful advance	364,000	-
	Total	49,122,028	19,602,301

Note 22A - Cost of materials consumed
(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
	Inventory at the beginning of the year	3,85,24,289	2,19,04,738
	Inventory on account of merger	-	-
	Add: Purchases	51,30,56,492	40,49,68,697
		55,15,79,781	42,68,73,842
	Less: Inventory at the end of the year	1,73,62,325	3,85,24,289
	Cost of materials consumed	53,42,17,456	38,83,49,553

Raw material and packing materials Consumed
(Amount in Rs.)

Sr No	Raw Material Consumed	March 31, 2021	March 31, 2020
(i)	Benzene	8,60,41,991	2,27,66,448
(ii)	Nitric acid	6,09,03,905	1,14,88,057
(iii)	Cast iron powder	3,08,88,319	2,09,67,586
(iv)	Qleum 65%	1,00,08,840	72,61,452
(v)	Caustic Potash Flakes	-	-
(vi)	Packaging Material	26,40,949	24,05,201
(vii)	Other	34,37,55,451	32,34,60,402
	Total	53,42,17,455	38,83,49,146

Note 22B - Changes in inventories of finished goods and work-in-progress
(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Opening Stock		
	Work in progress	12,00,11,730	95,949,086
	Finished goods	27,29,85,905	223,363,867
	Scrap	3,50,000	325,000
	Total (i)	39,33,47,635	319,637,953
(ii)	Closing Stock		
	Raw materials and packing materials		
	Work in progress	14,24,69,336	120,011,730
	Finished goods	38,10,78,773	272,985,905
	Scrap	3,50,000	3,50,000
	Total (ii)	52,38,98,109	39,33,47,635
	Changes in Inventories Decrease/(Increase)/(i-ii)	(13,05,50,474)	(7,37,09,682)
	Total	(13,05,50,474)	(7,37,09,682)



Sadhana Nitro Chem Limited
Notes forming part of the Consolidated financial Statements for the year ended March 31, 2021

Note 23- Employee Benefit Expenses
(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Salaries and wages, including bonus	14,04,90,122	14,48,48,689
(ii)	Employee Share Based compensation expense	-	(97,06,989)
(iii)	Contribution to Provident and other funds (Refer Note No. 29(a))	82,04,999	84,38,756
(iv)	Gratuity (Refer Note No. 29(b))	31,99,008	49,30,795
(v)	Leave Encashment expense	14,38,100	37,46,328
(vi)	Staff welfare expenses	18,53,583	27,28,066
	Total	15,51,85,812	15,49,85,646

Note -24 Finance Cost
(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Interest expense on term loans and other financial liabilities	23,21,628	30,39,190
(ii)	Other borrowing cost	2,77,83,809	2,01,32,056
(iii)	Interest on Delayed Payment of tax	1,45,497	13,725
(iv)	Interest on Lease Liability	39,99,575	50,75,036
	Total	3,42,50,507	2,82,60,016

Note 25 - Other Expenses
(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	Power and fuel	6,38,02,995	8,20,14,249
(ii)	Rent	16,27,988	40,23,043
(iii)	Rates & Taxes	61,39,168	1,23,72,861
(iv)	Insurance	59,30,108	49,71,652
(v)	Printing & Stationery	4,47,085	11,51,819
(vi)	Postage, Telegram & Telephone (Communication Expenses)	31,68,559	15,07,562
(vii)	Travelling & Conveyance Expenses	31,76,468	1,78,87,347
(viii)	Legal & Professional fees	1,72,60,470	1,46,95,500
(ix)	Directors Fees	2,60,000	3,22,000
(x)	Electricity charges	10,22,625	9,35,396
(xi)	Security Charges	38,90,109	40,97,113
(xii)	Stores & spares Consumed	1,57,80,101	3,03,09,103
(xiii)	Repairs & Maintenance		
	Plant & Machinery	1,27,49,900	1,16,58,910
	Building	6,40,058	14,44,116
	Others	60,96,787	2,84,46,238
(xiv)	Other Manufacturing Expenses	96,23,550	1,14,37,065
(xv)	Effluent Expenses	1,16,13,118	53,14,655
(xvi)	Research & Development Expenses	90,500	1,27,500
(xvii)	Payment to auditors (Refer Note A below)	12,00,000	10,00,000
(xviii)	Selling Expenses		
	Freight and Forwarding Expenses	2,61,43,259	1,77,01,170
	Commission Charges	1,56,18,145	2,29,83,317
	Local Freight & other expenses	94,05,484	1,11,15,449
(xix)	Foreign Exchange Fluctuation	94,29,671	16,04,922
(xx)	Bad debts & Sundry Debit Balances written off	2,46,772	10,27,800
(xxi)	Guarantee Commission	-	45,95,600
(xxii)	Fiber Rent	-	2,25,620
(xxiii)	Fair Valuation of forward contracts	-	58,75,661
(xxiv)	Provision for doubtful debts	58,853	8,19,959
(xxv)	Miscellaneous Expenses	91,70,238	1,82,70,715
(xxvi)	Internet & Domain charges	-	22,53,750
(xxvii)	Job Operation charges	10,60,227	-
(xxviii)	Merger Expenses	4,25,400	5,50,000
(xxix)	Sundry Balance w/off	16,31,831	-
(xxx)	Corporate Social Responsibility Expenses (CSR)	2,43,837	-
	Total	23,79,51,306	30,08,30,092



Sadhana Nitro Chem Limited
Notes forming part of the Consolidated financial Statements for the year ended March 31, 2021

Footnotes:**(i) Payment to Auditors:****(Amount in Rs.)**

Sr. No	Particulars	March 31, 2021	March 31, 2020
(i)	As Auditor*		
(i)	Statutory Audit Fee	10,00,000	9,00,000
(ii)	Tax Audit Fee	1,00,000	1,00,000
	Total	1,00,000	1,00,000

Note No - 26 Financial Instruments and Risk Review**Capital Management**

The key objective of the Group's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold the investor, creditor and customer confidence and to ensure future development of its business. The Group is focused on keeping strong total equity base to ensure independence, security as well high financial flexibility for potential future borrowings, if required without impacting the risk profile of the company. The Group's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute annual dividends in future periods. The amount of future dividends of equity shares will be balanced with efforts to continue to maintain an adequate liquidity status.

(Amount in Rs.)

Particulars	March 31, 2021	March 31, 2020
Total equity attributable to equity shareholders of the company	1,29,81,29,874	1,16,37,25,475
As a percentage of total capital	62	73
Long term borrowings	28,01,14,824	2,03,98,871
Short term borrowings	52,27,87,971	43,50,22,267
Total borrowings	80,29,02,795	45,54,21,138
As a percentage of total capital	38	27
Total Capital (Equity and Borrowings)	2,10,10,32,669	1,61,91,46,613

Financial Risk Management Framework

The group has exposure to the following risks arising from financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

i) Credit Risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and financial institutions and other financial instruments. The customer credit is managed by the company's established policy, procedures and controls relating to customer credit management. The company has established a credit policy under which each new customer is analysed individually for credit worthiness before the company's standard payment and delivery terms and conditions are offered. The company's review includes external ratings where available and other publicly available financial information. Outstanding customers receivables are regularly monitored and any shipment to major customers are generally covered by letter of credit or other forms of credit insurance. The following table gives details in respect of percentage of revenues generated from top five customer:

Particulars	(In %)	
	March 31, 2021	March 31, 2020
Revenue from top five customers	58.3	64.88

The Group establishes an allowance for impairment that represents fixed estimate of expected losses in respect of trade and other receivable. The maximum exposure to credit risk as at reporting date is primarily from trade receivable amounting to Rs.48,89,88,219/- (P.Y.Rs 29,04,38,949/-). The movement in allowance for impairment in trade and other receivables during the year was as follows:

Allowance for impairment	March 31, 2021	March 31, 2020
Opening balance	8,19,959	-
Impairment loss recognised / reversed	-	8,19,959
Closing balance	8,19,959	8,19,959



Sadhana Nitro Chem Limited
Notes forming part of the Consolidated financial Statements for the year ended March 31, 2021

Majority of the balance of trade receivables of the Company are from only 2 customers.

The total outstanding from these customers as at year end is Rs. 28,57,59,987/- (P.Y. Rs. 20,84,03,592). Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit ratings agencies.

ii) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure as far as possible that will have sufficient liquidity to meet its liabilities when they are due under both normal and stressed conditions without incurring unacceptable losses or risking damage to company's reputation. The Holding Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. In addition, the company maintains the following line of credit. The Holding company has working capital facilities from a Bank at interest rate of libor plus 4% pa. These facilities are secured by an exclusive charge on present and future stocks and book debts, exclusive charge on entire plant and machinery, charge by way of pledge on debt mutual funds of Rs. 5,52,56,918/- crores and further secured by personal guarantee of Chairman and Managing Director and Corporate Guarantee of ultimate Holding Company.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2021

Particulars	Less than 1 year	1 to 2 years	2- 5 years	5- 7 years	Total
Long term borrowings	2,92,30,581	5,82,54,660	13,88,69,266	8,29,90,898	30,93,45,405
Short term borrowings	52,27,87,971	-	-	-	52,27,87,971
Trade payable	25,87,92,896	-	-	-	25,87,92,896
Other financial liabilities	5,97,47,074	-	-	-	5,97,47,074
Total	87,05,66,522	5,82,54,660	13,88,69,266	8,29,90,898	1,15,06,73,346

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2020

Particulars	Less than 1 year	1 to 2 years	2- 5 years	5- 7 years	Total
Long term borrowings	77,49,099	85,17,327	1,18,81,544	-	2,81,47,970
Short term borrowings	43,50,22,267	-	-	-	43,50,22,267
Trade payable	21,26,65,047	-	-	-	21,26,65,047
Other financial liabilities	4,82,91,421	-	-	-	4,82,91,421
Total	70,37,27,834	85,17,327	1,18,81,544	-	72,41,26,705

iii) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Foreign Currency exchange rate risk

The Group operates internationally and major portion of the business is transacted in several currencies and consequently the group is exposed to foreign exchange risks through operating activities in foreign currency. The group does not engage in hedging and the unhedged foreign currency exposure is as follows :

1) Details of foreign currency exposures as at the year end :

Particulars	Currency	Amount in foreign currency		Equivalent amount (Rs.)	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
Financial Assets					
Trade Receivables	EUR	2,063,695	216,719	177,151,706	18,008,699
	USD	3,333,925	3,318,018	244,063,314	243,104,543
Advance to vendor	USD	-	335,002	-	25,248,431
Financial Liabilities					
Trade Payables	USD	263,208	481,392	20,732,560	36,281,552
Advance Received from customer	USD	115,277	113,070	8,438,968	8,521,860
Working Capital Borrowings					
	EUR	375,250	216,359	32,469,737	17,978,784
	USD	5,109,363	4,802,768	374,036,013	361,970,497
Net Asset / (liability)	EUR	1,685,445	360	144,681,969	29,915
Net Asset / (liability)	USD	(1,775,438)	(1,484,690)	(129,972,699)	(118,865,954)

2) Details of forward contracts outstanding at the year end used to hedge the outstanding foreign currency exposures

Particulars	Currency	Amount in foreign currency		Equivalent Amount (Rs.)	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Forward contracts entered into to hedge the receivable exposure	USD	21,50,000	23,00,000	15,73,92,900	17,33,46,400
Forward contracts entered into to hedge the payable exposure	USD	7,50,000	-	5,49,04,500	-

Note 27 - Earnings Per Share

(Amount in Rs.)

Sr. No	Particulars	March 31, 2021	March 31, 2020
a)	Net Profit for the year attributable to the equity shareholders	15,92,49,163	14,65,18,660
b)	Opening number of equity shares outstanding	9,31,51,490	1,86,30,298
c)	Closing Number of Equity shares outstanding	13,97,27,235	9,31,51,490
d)	Effective weighted average no. of shares outstanding during the year (Refer Note 27.1 below)	13,97,27,235	13,97,27,235
e)	Basic/Diluted earning per share (₹ 1/- per share) (P. Y. Rs. 1/- per share)	1.14	1.05

27.1 The Company has issued and allotted 4,65,75,745 equity shares of Re. 1/- each to eligible equity shareholders on the book closure date (i.e. 18th September, 2020) as fully paid up bonus equity shares by capitalizing reserves. The earning per share figures for the previous year have been restated to give effect to the allotment of the bonus shares, as required by IND-AS 33, 'Earning Per Share'.

Note 28: Disclosures under Ind AS 116

Effective from April 1, 2019, the Group adopted Ind AS 116 "Lease" applied to all lease contracts existing on April 1, 2019 using the modified retrospective approach and has taken the cumulative adjustment to retained earnings, on date of initial application. Due to transition, the nature of expenses in respect of certain leases under erstwhile standard has changed from 'Lease Rental' to Depreciation & Amortization expenses and Finance cost for the Right to use assets and on Lease Liability respectively. Due to the accounting treatment as per this Standard, the current year profit has been reduced by Rs. 57,87,363/- (Previous Year Rs. 23,33,320/-).

During the year ended March 31, 2021 the Holding company has received significant waivers in lease rentals due to lockdown imposed by the Central & state Governments owing to the spread of the Covid-19 pandemic. Accordingly the Company has revalued its lease obligations in accordance with the provisions of Ind AS 116. This revaluation resulted in a reduction in the value of lease liabilities and right of use assets as at the 01.04.2020. The Group has recognized a net gain of Rs. 29,97,847 on the aforesaid revaluations during the year.

Details of Payments to be made towards Lease liability.

(Amount in Rs.)

Particulars	March 31, 2021	March 31, 2020
Lease liability paid during the year	86,51,286	1,26,91,785
Lease liability payable not more than 1 year	1,38,77,408	1,33,96,824
Lease liability payable not more than 5 year	4,79,11,082	4,43,45,162

Note 29 : Employee benefits

(a) Defined Contribution Plan

The Holding Company makes Provident Fund contributions to defined contribution plan administered by the Regional Provident Fund Commissioner. Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. The Company has recognized Rs. 79,66,283/- towards Provident Fund and other fund contributions (March 31, 2020: Rs. 77,57,552/-) in the Statement of Profit and Loss. The provident fund and ESIC contributions payable by the Company are in accordance with rules framed by the Government from time to time.

(b) Defined Benefit Plans:

Gratuity

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 recognises 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 recognised in the same manner as gratuity. The estimated rate of escalation in salary considered in actuarial valuation, takes 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 Holding company's policy for plan assets management. The Holding Company has a defined benefit plan for every employee who has completed five year or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded. The Company has a defined unfunded obligation for leave encashment. Generally the leave encashment is paid to employees as and when claimed.

Defined benefit plans: as per actuarial valuation on 31st March, 2021

Particulars	Funded Plan Gratuity	
	March 31, 2021	March 31, 2020
Service Cost		
Current Service Cost	10,09,037	9,02,094
Past service cost and (gains)/losses from settlements	-	-
Net interest expense	21,89,971	22,40,543
Components of defined benefit costs recognised in profit or loss	31,99,008	31,42,637
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	-	-
Actuarial gains and loss arising from changes in financial assumptions	-	-
Actuarial gains and loss arising from experience adjustments	(9,02,543)	13,28,648
Actuarial gains and loss arising from demographic adjustments	-	-
Components of defined benefit costs recognised in other comprehensive income	(9,02,543)	13,28,648
Total	22,96,465	44,71,285
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	3,31,93,038	3,17,84,774
2. Fair value of plan assets as at 31st March	-	-
3. Surplus/(Deficit)	3,31,93,038	3,17,84,774
4. Current portion of the above	-	-
5. Non current portion of the above	-	-
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	3,17,84,774	2,87,61,761
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	10,09,037	9,02,094
- Past Service Cost	-	-
- Interest Expense (Income)	21,89,971	22,40,543
4. Recognised in Other Comprehensive Income	-	-
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	-	-
ii. Financial Assumptions	-	-
iii. Experience Adjustments	(9,02,543)	13,28,648
5. Benefit payments	(8,88,201)	(14,48,292)
6. Others (Specify)	-	-
7. Present value of defined benefit obligation at the end of the year	3,31,93,038	3,17,84,774
III. Change in fair value of assets during the year ended 31st March		
1. Fair value of plan assets at the beginning of the year	-	-
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Expected return on plan assets	-	-
- Interest Income	-	-
4. Recognised in Other Comprehensive Income	-	-
Remeasurement gains / (losses)		
- Actual Return on plan assets in excess of the expected return	-	-
- Others (specify)	-	-
5. Contributions by employer (including benefit payments recoverable)	-	-
6. Benefit payments	-	-
7. Fair value of plan assets at the end of the year	-	-
IV. The Major categories of plan assets		
- List the plan assets by category here		
Insurance Fund	-	-

Particulars	Funded Plan Gratuity	
	March 31, 2021	March 31, 2020
V. Actuarial assumptions		
1. Discount rate	6.87%	6.89%
2. Expected rate of return on plan assets	NA	NA
3. Salary Increase Rate	4.00%	4.00%
4. Rate of Employee Turnover	2.00%	2.00%
5. Mortality Rate During Employment	Indian Assured Lives Mortality (2008-08)	Indian Assured Lives Mortality (2006-08)
6. Mortality Rate After Employment	N.A.	N.A.
VI. Other Details		
1. No of Active Members	187	196
2. Per Month Salary For Active Members	53,96,618	54,90,231
3. Weighted Average Duration of the Projected Benefit Obligation	5	5
4. Average Expected Future Service	15	15
5. Projected Benefit Obligation (PBO)	3,31,93,038	3,17,84,774
6. Prescribed Contribution For Next Year (12 Months)	53,96,618	54,90,231
VII. Net Interest Cost		
1. Interest Cost	21,89,971	22,40,543
2. Interest Income	-	-
3. Net Interest Cost (1-2)	21,89,971	22,40,543

Maturity Analysis of Projected Benefit Obligation: From the Employer

Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	16,857,849	14,575,186
2nd Following Year	1,456,647	3,085,531
3rd Following Year	950,975	1,378,993
4th Following Year	2,562,880	894,531
5th Following Year	2,517,072	2,445,584
Sum of Year 6 To 10	8,100,776	9,109,770
Sum of Year 11 and Above	15,852,830	15,242,373

Sensitivity Analysis

Projected Benefit Obligation on Current Assumptions	33,193,038	31,784,774
Delta Effect of +1% Change in Rate of Discounting	(1,148,099)	(1,140,605)
Delta Effect of -1% Change in Rate of Discounting	1,315,451	1,304,467
Delta Effect of +1% Change in Rate of Salary Increase	1,243,709	1,234,249
Delta Effect of -1% Change in Rate of Salary Increase	(1,107,263)	(1,101,411)
Delta Effect of +1% Change in Rate of Employee Turnover	360,447	357,863
Delta Effect of -1% Change in Rate of Employee Turnover	(408,528)	(403,594)

Sensitivity analysis for each significant actuarial assumption is required to be given, (illustration for medical inflation given below. Group needs to provide for others)



	0.02% Decrease	0.01% Increase
A. Effect of 0.90% change in the assumed discount rate	March 31, 2021	March 31, 2020
Defined Benefit Obligation	6.87	6.89

VIII. Experience Adjustments :	Year Ended	
	March 31, 2021	March 31, 2020
	Gratuity	
1. Defined Benefit Obligation	(3,31,93,038)	(3,17,84,774)
2. Fair value of plan assets	-	-
3. Surplus/(Deficit)	(3,31,93,038)	(3,17,84,774)
4. Experience adjustment on plan liabilities [(Gain)/Loss]	-	-
5. Experience adjustment on plan assets [Gain/(Loss)]	-	-

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Additional Details	
Methodology Adopted for ALM -	Projected Unit Credit Method
Usefulness and Methodology adopted for Sensitivity Analysis -	Sensitivity analysis is an analysis which will give the movement in liability if the assumption were not
Stress Testing of Assets -	Not Done
Investment Strategy -	Not Discussed
Comment on Quality of Assets -	Since Investment is with insurance company, Assets are considered to be secured.
Management Perspective of Future Contributions -	As per Actuarial Calculation

Notes

*Gratuity is payable as per Holding company's scheme as detailed in the report.

*Actuarial gains/losses are recognised in the period of occurrence under Other Comprehensive Income (OCI).

*All above reported figures of OCI are gross of taxation.

*Salary escalation & attrition rate are considered as advised by the Holding company; they appear to be in line with the industry practice considering promotion and demand & supply of the employees. *Maturity Analysis of Projected Benefit Obligation is done considering future salary, attrition & death in respective year for members as mentioned above. *Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

*Value of asset provided by the client is considered as fair value of plan asset for the period of reporting as same is not evaluated by us.

Note 30 - Contingent liabilities and commitments (to the extent not provided for)

Particulars	March 31, 2021	March 31, 2020
(i) Contingent liabilities :		
(a) Bank Guarantees/ Letter of Credit	-	-
(b) Contingent Liabilities for Income Tax, Service Tax and others:	-	-
- Employees Provident Fund and Miscellaneous Provisions Act 1952#	58,76,715	58,76,715
- Employees Provident Fund and Miscellaneous Provisions Act 1952#	4,71,691	4,71,691
(ii) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance)	20,00,26,944	6,55,67,894

Sadhana Nitro Chem Limited
Notes forming part of the financial statements for the year ended March 31, 2021

#The Holding Company is subject to legal proceedings and claims which have arisen in the ordinary course of business from Direct tax laws(TDS), Indirect tax laws and Other Laws. Future cash outflow, if any in respect of these matters are determinable only on receipt of judgements /decisions pending at various stages before the appellate authorities. The Management is of the opinion that the matters would be resolved in favour of the Company. The Management of the Holding Company does not reasonable expect that these legal action when ultimately concluded and determined would have a material and adverse effect on the Group's results, operations or financial condition.

Note 31 : Segment Information

31.1 - Primary Segment

An operating Segment is a component of the entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance for which discrete financial performance is available. Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on the type of goods & services delivered or provided. The group is in the business of manufacturing of chemical intermediates, heavy organic chemicals and performance chemicals and manufacture of wireless network equipment and services.

The accounting policies of the operating segments are the same as the accounting policies disclosed in Note No. 2 to these consolidated financial statements. The revenues, total assets and net profit as per the Statement of Profit & Loss represent the revenue, total assets & net profit of both the operating segments. However, since the revenue, profits & total assets of one of these segments (manufacture of wireless network equipment & services) is less than 10% of the combined revenue, profits & assets of all the operating segments, disclosures as required by Ind-As 108, 'Operating Segments' are not given.

31.2 - Secondary Segment

The Group's secondary segments are the geographic distribution of activities. Revenue & receivables are specified by location of customers while the other geographic information is specified by locations of assets / liabilities.

The Group has two geographical segments based upon location of its customers with and outside India.

Particulars	March 31, 2021	March 31, 2020
Revenue		
India	42,55,56,365	34,34,65,382
Outside India	80,49,45,690	68,47,81,264
Total	1,03,05,02,055	1,02,82,46,646
Assets (Trade Receivables)		
India	6,77,72,096	2,70,53,350
Outside India	42,12,15,020	26,33,65,599
Total	48,89,87,116	29,04,38,949

Other than above, the following assets of the Anuchem BVBA, Belgium are held outside India

Particulars	March 31, 2021	March 31, 2020
a) Inventories	5,17,44,677	20,87,92,315

34.3 - Reporting of Customers contributing more than 10% of revenue

Particulars	March 31, 2021	March 31, 2020
Total number of customer contributing 10 % of revenue each	2	3
Total Revenue From Above Customers	38,36,12,175	95,70,58,762

**Note 32 : Significant estimates and assumptions*****Estimates and Assumptions***

The preparation of the Group's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes will be reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amounts sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Defined Benefit Plans (Gratuity Benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Details about gratuity obligations are given in Note 29.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value target and the discount factor. The Group has valued its financial instruments through profit & loss which involves significant judgements and estimates such as cash flows for the period for which the instrument is valid, EBITDA of investee company, fair value of share price of the investee company on meeting certain requirements as per the agreement, etc. The determination of the fair value is based on expected discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

Note 33 Related party Transaction

ii) Disclosure in respect of material related party transactions during the year.

	Particulars	March 31, 2021	March 31, 2020
(A)	Remuneration paid / payable		
	i) Shri. Asit D Javeri	1,68,00,000	1,68,00,000
	ii) Shri. Abhishek A Javeri	1,68,00,000	1,68,00,000
	iii) Smt. Seema A Javeri	1,68,00,000	1,68,00,000
	iv) Shri. Nitin R. Jari	92,79,996	92,80,000
(B)	Interest Paid		
	i) Shri. Asit D Javeri	13,92,330	9,97,398
	ii) Shri. Abhishek A Javeri	2,03,013	-
	iii) Smt. Seema A Javeri	2,55,090	-
(C)	Guarantee Commission paid / payable		
	i) Shri. Asit D Javeri	-	25,50,360
	ii) Shri. Abhishek A Javeri	-	17,00,240
(D)	Revenue from sale of goods		
	i) Aayan Nanotech Private Limited	2,67,00,000	2,61,96,000
	iii) Lifestyle Networks Ltd	13,26,760	-
(E)	Purchase Of goods		
	i) Aayan Nanotech Private Limited	2,45,00,000	-
(F)	Interest received / receivable		
	i) PAE Limited	40,00,000	40,00,000
(G)	Director Sitting Fees		
	i) Shri. Arvind R Doshi	82,000	96,000
	ii) Shri. Priyam S Jhaveri	82,000	96,000
	iii) Shri. Pradeep N Desai	66,000	80,000
	iv) Shri. Anil M Mehta	30,000	50,000
(H)	Loan / Advances given during the year		
	i) Lifestyle Networks Limited (Capital Advance)	1,40,97,787	30,35,882
(I)	Purchase of Capital Assets		
	i) Chandra Net Limited	-	6,00,000
(J)	Loan Repaid During the Year		
	i) Shri. Asit D Javeri	75,00,000	-
(K)	Loans received during the year		
	i) Shri. Asit D Javeri	1,97,50,000	75,00,000
	ii) Shri. Abhishek A Javeri	50,00,000	-
	iii) Smt. Seema A Javeri	66,00,000	-
(L)	Closing Balances - Debit/(Credit)		
	i) Shri. Asit D Javeri	(2,33,70,696)	(97,56,791)
	ii) Shri. Abhishek A Javeri	(51,87,787)	(5,18,533)
	iii) Smt. Seema A Javeri	(1,75,84,793)	(29,26,053)
	vi) Aayan Nanotech Private Limited	61,23,250	65,27,250
	vii) Lifestyle Networks Limited	1,71,04,549	30,35,882
	viii) PAE Limited	4,95,68,219	4,51,68,219


Note 34: Disclosures as required under Schedule III to the Companies Act, 2013 with respect to Consolidated Financial Statements

Name of Entity	Net Assets = Total assets - Total Liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % Of Consolidated net Assets	Amount Rs.	As % of Consolidated Profit/(Loss)	Amount Rs.	As % Of Consolidated Other Comprehensive Income	Amount Rs.	As % Of Consolidated Total Comprehensive Income	Amount Rs.
Parent Company Sadhana Nitro Chem Ltd	106.19%	1,70,73,55,729	64.17%	10,21,88,582	100%	21,47,473	64.65%	10,43,36,055
Foreign Subsidiary: Ansochem BV/BA	0.15%	24,17,976	45.21%	7,19,90,887	0%	-	44.60%	7,19,90,887
Indian Subsidiary: Spidigo Net Pvt Ltd	-0.30%	-48,94,814	1.39%	22,14,968	0%	-	1.37%	22,14,968
Sub Total	106.04%	1,70,48,78,891	110.77%	17,63,94,437	100.00%	21,47,473	110.62%	17,85,41,910
Total Elimination	-6.04%	-9,71,10,136	-10.77%	-1,71,45,274	0.00%	-	-10.62%	-1,71,45,274
Grand Total	100.00%	1,60,77,68,755	100.00%	15,92,49,163	100.00%	21,47,473	100.00%	16,13,96,636

Note 35 : Fair Value Measurement
(a) Financial Instrument by category

Particulars	March 31, 2021	March 31, 2020
Measured at Amortised Cost		
- Trade Receivables	48,69,88,219	29,04,38,949
- Cash and Cash Equivalents	10,94,99,244	58,38,159
- Bank Balance other than Cash and Cash Equivalents	19,42,034	21,76,255
- Other Financial Assets	5,10,09,446	9,38,28,598
- Loans and advances	26,65,491	26,17,936
Measured at Fair Value through Profit & Loss		
Measured at Fair Value through other comprehensive income		
- Investment - Non-current	-	-
- Investment - Current	6,38,96,718	6,51,16,248
Financial Liabilities		
Measured at Amortised Cost		
- Borrowings	52,27,87,971	43,50,22,267
- Trade Payables	25,87,92,896	21,92,46,575
- Other Financial Liabilities	8,89,77,655	5,66,58,245

(b) Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly

(i.e. derived from prices)

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair value are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transaction in the same instrument, nor are they based on available market data.

The investments included in level 3 of fair value heirachy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within the range.

The Following table summarises fair value hierarchy of financial assets measured at fair value on recurring basis



As at March 31, 2021	Level 1	Level 2	Level 3
Measured at Fair Value through Profit & Loss			
Measured at Fair Value through other comprehensive income			
- Investment - Non-current	-	-	-
- Investment - Current	6,38,96,718	-	-

As at March 31, 2020	Level 1	Level 2	Level 3
Measured at Fair Value through Profit & Loss			
Measured at Fair Value through other comprehensive income			
- Investment - Non-current	-	-	-
- Investment - Current	5,51,16,248	-	-

Note 36 : Impact of Covid-19

The outbreak of Coronavirus (Covid-19) pandemic globally & in India has caused significant disruption and slowdown of economic activities throughout the world and has impacted the operation of the Group's business during the year, by way of interruption in production, supply chain disruption, unavailability of personnel, the reduction in capacity of production facilities, etc. The Group, on the basis of internal assessment, believes that the pandemic is not likely to impact the carrying value of its assets. Further the probability of the occurrence of their forecasted transactions is not likely to be severely impacted by the emerging waves of the COVID-19 pandemic. The Group continues to closely monitor the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from estimates made as of the date of approval of these Consolidated Financial Statements.

Note 37 : Events Occurring after the balance sheet date

No adjusting or significant non-adjusting events have occurred between the reporting date and date of authorization.

Note 38 :

The following notes forming part of the consolidated financial statements are the same as the notes forming part of and reported with the standalone financial statements; accordingly the same have not been reproduced in the consolidated financial statements (i) Corporate Social Responsibility (Refer Note No. 30 to the standalone financial statements)
(ii) Borrowing Costs (Refer Note No. 35 to the standalone financial statements)

Note 39 : Previous Year Figures

Previous year's figures have been regrouped, rearranged & reclassified wherever considered necessary

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Registration Number : 121142W/W100122

Jayesh Dadia
Partner
Membership Number : 033973

For and on behalf of the Board of Directors

Asit D Javeri
Executive Chairman

Priyam S Jhaveri
Director

Abhishek A Javeri
Managing Director & CFO

Nitin R Jani
Company Secretary

Smt. Seema A Javeri
Executive Director
Administration

Mumbai
Date: 09th June 2021

Spidigo Net Pvt. Ltd.
Balance Sheet as at March, 2021

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	1,90,04,220	2,34,72,353
(b) Capital work-in-progress		-	-
(c) Financial Assets			
(i) Loans	3	54,920	54,920
(d) Deferred Tax Asset (net)	4	9,86,618	9,38,484
		2,00,45,758	2,44,65,757
Current assets			
(a) Financial Assets			
(i) Cash and cash equivalents	5	58,580	1,57,289
(ii) Other Financial Assets	6	26,185	4,08,008
(b) Other current assets	7	18,09,258	11,59,258
		18,94,023	17,24,553
Total		2,19,39,781	2,61,90,310
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	8	1,00,000	1,00,000
(b) Other Equity	9	(7,90,80,476)	(8,12,95,444)
		(7,89,80,476)	(8,11,95,444)
LIABILITIES			
Non-current liabilities			
(a) Provisions	10A	-	44,39,570
(b) Financial Liabilities			
(i) Borrowings	11	8,77,68,325	6,61,31,372
		8,77,68,325	7,05,70,942
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables			
I. Due to Micro, Small and Medium Enterprises		56,17,989	96,47,625
II. Due to Others	12	-	2,71,995
(b) Provisions	10B	75,33,943	2,68,95,192
(c) Other current liabilities	13		
		1,31,51,932	3,68,14,812
Total Equity and Liabilities		2,19,39,781	2,61,90,310

The accompanying notes are an integral part of the Standalone financial statements. (Refer Notes 1- 19)

For and on behalf of the Board of Directors

Abhishek Javeri
Director
DIN : 00273030

Seema Javeri
Director
DIN : 01768936

Spidigo Net Pvt. Ltd.
Statement of Profit and Loss for the year ended March 31, 2021

	Particulars	Note No.	For the period ended March 31, 2021	For the year ended March 31, 2020
(I)	Revenue from operations	14	4,45,688	2,51,20,643
(II)	Other Income	15	1,35,81,394	9,509
(III)	Total Income (I + II)		1,40,27,082	2,51,30,152
(IV)	EXPENSES			
	(a) Cost of materials consumed	16		85,86,647
	(b) Employee benefits expense	17		20,57,942
	(c) Finance costs	18	68,43,407	38,22,689
	(d) Depreciation	2	44,68,133	55,23,286
	(e) Other expenses	19	6,96,523	4,04,03,414
	Total Expenses (IV)		1,18,08,063	6,03,93,978
(V)	Profit/(loss) before exceptional items and tax (III - IV)		22,19,019	(3,52,63,826)
(VI)	Exceptional Items			-
(VII)	Profit/(loss) before tax (V - VI)		22,19,019	(3,52,63,826)
(VIII)	Tax Expense			
	(1) Current tax		52,185	2,65,000
	(2) Deferred tax	4	(48,134)	(2,39,498)
	Total tax expense		4,051	25,502
	Profit/(loss) for the period (VII - VIII)		22,14,968	(3,52,89,328)
(IX)	Other Comprehensive Income			-
(X)	(i) Items that will not be re-classified subsequently to profit or loss			-
	Re-measurement on defined benefit plans			-
	Income Tax effect			-
	(ii) Items that will be re-classified subsequently to profit or loss			-
	Exchange differences in translating financial statements of a foreign operation			-
	Income Tax effect			-
(XI)	Total of Other Comprehensive Income ((i) + (ii))		-	-
(XII)	Total Comprehensive Income (IX + XI)		22,14,968	(3,52,89,328)
(XIII)	Earnings per equity share (Rs.)			
	(1) Basic		221	(3,529)
	(2) Diluted		221	(3,529)

The accompanying notes are an integral part of the Standalone financial statements. (Refer Notes 1-19)

For and on behalf of the Board of Directors

Abhishek Javeri
Director
DIN : 00273030

Seema Javeri
Director
DIN : 01768936

Spidigo Net Pvt. Ltd.
Cash Flow Statement for the year ended March 31, 2021

Particulars	For the period ended March 31, 2021		For the period ended March 31, 2020	
A. Cash flow from operating activities				
Profit before tax		22,19,019		(3,52,63,826)
Adjustments for:				
Depreciation and amortisation expenses	44,68,133		55,23,286	
Loss on Sale of Fixed Assets	-		-	
Interest Income	(8,539)		(9,507)	
Provision for Doubtful Advances / (Reversed)	(3,84,000)		3,56,40,844	
Sundry Liabilities written back	(1,32,10,855)			
Sundry Balances Written off	2,46,772			
Interest Expenses	66,43,171		38,22,689	
		(22,23,318)		4,49,77,312
Operating profit / (loss) before working capital changes		(4,299)		97,13,486
Changes in working capital:				
Loans and Other Financial Assets	(4,14,951)		31,00,334	
Trade Payables & Other Financial Liabilities & Provisions	(8,44,932)		(2,66,72,088)	
		(12,59,883)		(2,34,71,754)
Cash generated from operations	-	(12,64,182)		(1,37,58,268)
a. Direct Taxes (Paid)		(52,184)		(4,50,000)
Net cash flow from / (used in) operating activities (A)		(13,16,366)		(1,42,08,268)
B. Cash flow from / (used in) investing activities				
a. Purchase Of Fixed Assets	-		-	
b. Acquisition /Sale of Investment(Net)				
c. Interest Income	6,539		9,507	
d. Redemption of Fixed Deposits	-		10,02,037	
		6,539		10,11,544
Net cash flow from / (used in) investing activities (B)		6,539		10,11,544
C. Cash flow from / (used in) financing activities				
a. Secured Borrowings -Net of Repayment				
b. Unsecured Borrowings -Net of Repayment	13,11,119		1,70,19,575	
c. Interest Paid	-		(38,22,689)	
		13,11,119		1,31,96,886
Net cash flow from / (used in) financing activities (C)		13,11,119		1,31,96,886
Net Increase / (decrease) in Cash and cash equivalents (A+B+C)		1,292		162
Cash and cash equivalents at the beginning of the year		57,289		57,127
Cash and cash equivalents at the end of the year		58,580		57,289

Notes:

Figures in brackets represent outflows

The accompanying notes are an integral part of the Standalone financial statements. (Refer Notes 1- 19)

For and on behalf of the Board of Directors

Abhishek Javeri
 Director
 DIN : 00273030

Seema Javeri
 Director
 DIN : 01768936



Spidigo Net Pvt. Ltd.
Notes to Standalone financial statements for the year ended 31 St March 2021

1. CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES:**I. CORPORATE INFORMATION:**

"The Company was incorporated on March 22, 2016. The Company is engaged in Internet Service Providing Services. As on 31 St March 2021 Sadhana Nitro Chem Limited, holding company owned 100% of the company's equity share capital. The Company's registered office is located at Ahmedabad, Gujarat India and service facility is located at Ahmedabad, Surat and various locations in Gujarat India."

II. SIGNIFICANT ACCOUNTING POLICIES:**"(A) Statement of Compliance "**

The standalone financial statements have been prepared in accordance with Indian Accounting Standards(Ind AS) as per the Companies(Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013(the "Act") and other relevant provisions of the Act.

These standalone financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual report date, 30th September 2020. These standalone financial statements were authorized for issuance by the Company's Board of Directors .

(B) Basis of Preparation of Financial Statements

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price which that would be received or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

"(C) Use of estimate"

"The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax liabilities and provisions and contingent liabilities."

"Useful lives of property, plant and equipment"

"The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods."

"Valuation of deferred tax assets"

"The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under in point no. (I)."

"Provisions and contingent liabilities"

"Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to unwinding of discount over passage of time is recognized as finance cost. Provisions are reviewed at the each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. A provision for onerous contracts is recognized when the expected benefits to be

derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract."

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

"Fair value measurements and valuation processes"

"Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Company has obtained independent fair valuation for financial instruments wherever necessary to determine the appropriate valuation techniques and inputs for fair value measurements. In some cases the fair value of financial instruments is done internally by the management of the Company using market-observable inputs."

"In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The qualified external valuers establish the appropriate valuation techniques and inputs to the model. The external valuers report to the management of the Company their findings for every reporting period to explain the cause of fluctuations in the fair value of the assets and liabilities. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 22B."

"(D) Revenue Recognition"

"Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances."

"i. Sale of goods"

"Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:"

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;"
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;"
- the amount of revenue can be measured reliably;"
- It is probable that the economic benefits associated with the transaction will flow to the Company; and"
- the costs incurred or to be incurred in respect of the transaction can be measured reliably."

"ii. Rendering of Services"

"Revenue from service transactions is recognised as the service is performed by the completed service contract method."

• Performance consists of the execution of a single act. Alternatively, services are performed in more than a single act, and the services yet to be performed are so significant in relation to the transaction taken as a whole that performance cannot be deemed to have been completed until the execution of those acts. The completed service contract method is relevant to these patterns of performance and accordingly revenue is recognised when the sole or final act takes place and the service becomes chargeable."

"Revenue from sales and operation excludes Excise Duty, Sales Tax, Value Added Tax & GST"

"ii. Other Income"

"a. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition."

"(E) Leases"

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

"Company as a lessee"

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-

use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term."

"(F) Foreign Currency"

"The functional currency of the Company is Indian rupee. Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss."

"(G) Borrowing Costs"

"Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets,

until such time as the assets are substantially ready for their intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation."

"All other borrowing costs are recognised in profit or loss in the period in which they are incurred."

"(H) Employee benefits"

"(1) Defined Contribution Plan: Payments to defined contribution retirement benefit schemes viz. Company's Provident Fund Scheme and Superannuation Fund are recognised as an expense when the employees have rendered the service entitling them to the contribution."

"(I) Taxation"

"Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax expense represents the sum of the tax currently payable and deferred tax."

"Current income tax"

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period."

Deferred income taxes

"Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction."

"Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which

the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised."

"Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled."

"Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis."

"Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. The Company recognises interest levied and penalties related to income tax assessments in income tax expenses."

"(J) Property, Plant and Equipment"

"Property, plant and equipment held for use in production or supply of goods or services or for administrative purposes are stated at cost less accumulated depreciation/amortization less accumulated impairment, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use."

"Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use."

"Depreciation is recognized on Property plant & equipment including non factory building furniture fixtures & vehicles (other than on capital work-in-progress) under WDV Method at the rates prescribed under Schedule II of Companies Act, 2013. Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement. The estimated useful lives of assets are stated below: "

"^ Estimated useful life of assets consistent with the useful life specified in the Schedule II of the Companies Act, 2013"

"The economic useful lives of assets is assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis."

"Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part. Freehold land is not depreciated."

"An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss."

"For transition to IND AS the company has elected to continue with the carrying value of all its property plant and equipment recognised as on 1st April 2016 transition date measured as per previous GAAP and used that carrying value as its deemed cost as of the transition date."

"(K) Intangible Assets"

"Company has no intangible assets during the year."

"(L) Impairment"

"Financial assets (other than at fair value) The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction."

"For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased

significantly since initial recognition."

"(M) Financial instruments"

"Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability."

"Cash and cash equivalents"

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage."

"Financial assets at amortised cost Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

"Financial assets at fair value through other comprehensive income"

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

"Financial assets at fair value through profit or loss"

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss."

"Financial liabilities"

Financial liabilities are measured at amortised cost using the effective interest method."

"Equity instruments"

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost."

"Reclassification of Financial Assets"

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest."

"Offsetting of financial instruments"

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously."

"(N) Earnings Per Share (EPS)"

"The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive."

"(P) Current/Non-Current Classification"

"The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria: - It is expected to be realized or intended to be sold or consumed in normal operating cycle.

It is held primarily for the purpose of trading - It is expected to be realized within 12 months after the date of reporting period, or - Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting period."

"Current assets include the current portion of non-current financial assets."

"All other assets are classified as non-current."

"A liability is current when it satisfies any of the following criteria: - It is expected to be settled in normal operating cycle - It is held primarily for the purpose of trading - It is due to be settled within 12 months after the reporting period, or - There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period Current liabilities include the current portion of long term financial liabilities. The Company classifies all other liabilities as non-current."

"Deferred tax assets and liabilities are classified as non-current assets and liabilities."

"The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. The Company has identified 12 months as its operating cycle."

"(Q) Share Capital"

"Ordinary Shares Ordinary shares are classified as equity. Incremental costs, if any, directly attributable to the issue of ordinary shares are recognized as a deduction from other equity, net of any tax effects."

"(R) Fair Value Measurement"

"Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either: - in the principle market for the asset or liability - in the absence of principle market, in the most advantageous market for the asset or liability. The principle or the most advantageous market must be accessible by the Company."

"The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest."

"The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use."

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

"All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:- Level 1 – Quoted (Unadjusted) Market prices in active markets for incidental assets or liabilities- Level 2 –Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable- Level 3 – Valuation Techniques for which the lowest level input that is significant to the fair value measurement is unobservable"

"For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers that have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period."

"Determination of Fair Value"

"1) Financial Assets - Debt Instruments at amortized costAfter initial measurement the financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR."

"2) Financial Assets - Debt Instruments at Fair Value through Other Comprehensive Income (FVTOCI) Measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L."

"3) Debt instruments, derivatives and equity instruments at Fair Value through Profit or Loss (FVTPL) FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL."

"4) Financial Liabilities Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit & loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Companies financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments."

"Subsequent Measurement Fair value through Profit & Loss Financial liabilities at fair value through profit & loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. All changes in fair value of such liabilities are recognized in statement of profit or loss. Loans and Borrowings After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as finance costs in the statement of profit and loss."

Spidigo Net Pvt. Ltd.
Statement of Change in Equity for the year ended March 31, 2021

A. Equity Share Capital

Particulars	Opening balance	Changes during the year	Closing balance
As at 30 th Sept 2020	1,00,000	-	1,00,000
As at 31st March 2020	1,00,000	-	1,00,000
As at 31st March 2019	1,00,000	-	1,00,000

B Other Equity

Particulars	Reserves and Surplus (Retained Earnings)	Other comprehensive income	Total
Balance as at 01 April 2019	(8,12,95,444)	-	(8,12,95,444)
Addition during the year	0	-	0
Surplus in the Statement of Profit and loss	-	-	0
Balance as at 31 March 2020	(8,12,95,444)	-	(8,12,95,444)
Balance as at 01 April 2020	(8,12,95,444)	-	(8,12,95,444)
Addition during the year	22,14,968	-	22,14,968
Surplus in the Statement of Profit and loss	-	-	-
Balance as at 31 March 2021	(7,90,80,476)	-	(7,90,80,476)

In terms of our report attached,

For and on behalf of the Board of Directors

Abhishek Javeri
 Director
 DIN : 00273030

Seema Javeri
 Director
 DIN : 01768936

Spidigo Net Pvt. Ltd.
Notes forming part of the financial Statements for the year ended March 31, 2021

(Amount in Rs)

Note 2: Property, Plant and Equipment

Particulars	Gross Block			Depreciation			Net Block	
	As at 01.04.2020	Additions during the year	Deductions during the year	As at 31.03.2021	As at 01.04.2020	Additions during the year	As at 31.03.2021	As at 01.04.2020
Plant and Equipment	4,38,85,114	-	-	4,38,85,114	2,11,43,341	43,02,147	1,84,39,626	22,27,41,773
Furniture & Fixtures	17,88,654	-	-	17,88,654	12,39,309	1,42,276	4,07,089	5,49,345
Office Equipment	3,15,885	-	-	3,15,885	2,70,336	20,542	25,007	45,549
Computer	26,50,414	-	-	26,50,414	25,14,728	3,167	1,32,519	1,35,886
Total	4,86,40,067	-	-	4,86,40,067	2,51,67,714	44,68,133	1,90,04,220	2,34,72,353
Previous year as at March 31, 2020	4,86,40,067	-	-	4,86,40,067	1,96,44,428	55,23,286	2,34,72,353	2,89,95,639

Particulars	Gross Block			Depreciation			Net Block	
	As at 01.04.2019	Additions during the year	Deductions during the year	As at 31.03.2020	As at 01.04.2019	Additions during the year	As at 31.03.2020	As at 01.04.2019
Plant and Equipment	4,38,85,114	-	-	4,38,85,114	1,58,90,409	52,52,932	2,27,41,773	2,79,94,705
Furniture & Fixtures	17,88,654	-	-	17,88,654	10,47,297	1,92,012	5,49,345	7,41,357
Office Equipment	3,15,885	-	-	3,15,885	2,32,923	37,416	45,549	82,965
Computer	26,50,414	-	-	26,50,414	24,73,802	40,926	1,35,686	1,76,612
Total	4,86,40,067	-	-	4,86,40,067	1,96,44,428	55,23,286	2,34,72,353	2,89,95,639
Previous year as at March 31, 2019	4,82,12,572	4,51,495	24,000	4,86,40,067	1,26,04,699	70,48,168	2,89,95,639	3,19,99,311

Spidigo Net Pvt. Ltd.
Notes forming part of the financial Statements for the year ended March 31, 2021

Note 3: Loans

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current Loans (Unsecured Considered Good, unless otherwise stated) Security Deposits	54,920	54,920
Total	54,920	54,920

Note 4: Deferred Tax Asset (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
<u>Deferred Tax Asset</u> Employee Benefit obligations On Account of Depreciation Other disallowable expenses Others	9,86,618	9,38,484
	9,86,618	9,38,484
<u>Items that will not be re-classified subsequently</u> Re-measurement on defined benefit plans Net Deferred Tax Liability (Asset)		-
<u>Deferred Tax Asset</u>	9,86,618	9,38,484

Footnote :

Deferred tax asset on unabsorbed depreciation as per the Income Tax Act, 1961 has been recognised, since it is probable that taxable profit will be available to adjust them in the future years. Unabsorbed depreciation which forms major portion of the Deferred Tax Asset can be carried forward and set off against the profits for unlimited number of years under the Indian Income Tax Act, 1961 and profitability projections based on current margins show sufficient profits for set-off in future.

Note 5: Cash and Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash in hand	-	-
Balance with bank in current account	58,580	57,289
Fixed Deposit	-	1,00,000
Total	58,580	1,57,289

Note 6: Other Financial Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Other Current Financial Assets		
Advance to Suppliers	-	3,81,821
Prepaid Expenses	-	-
Advance to Employees	14,355	14,355
Bank FD Interest Accrued	11,830	11,830
Total	26,185	4,08,006
Unsecured, Considered Doubtful:		
Advance recoverable in Cash or Kind	3,52,76,844	3,56,40,844
Less : Provision for doubtful advances	(3,52,76,844)	(3,56,40,844)
Chandra Net Pvt Ltd	-	-
Pace Internet pvt ltd	-	-
Total	26,185	4,08,006

Spidigo Net Pvt. Ltd.
Notes forming part of the financial Statements for the year ended March 31, 2021

Note 7: Other Asstes

Particulars	As at March 31, 2021	As at March 31, 2020
Other Current Asstes (Unsecured Considered Good, unless otherwise stated)		
Balance with Statutory Authorities	11,59,258	11,59,258
Deposit With Court	650000	
Total	18,09,258	11,59,258

Note 8: Equity Share Capital

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised Capital: 10,000 Equity Shares of Rs.10/- each (March 31, 2020: 10,000 Equity Shares of Rs.10/- each)	100,000	100,000
	100,000	100,000
Issued Subscribed & Paid up: 10,000 Equity Shares of Rs.10/- each fully paid 30 th September-2020	100,000	100,000
Total	100,000	100,000

Footnotes :

(i) The company has only one class of equity shares having at par value of Rs.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.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2021		As at March 31, 2020	
	Equity Share			
	No.of Shares	Amount	No.of Shares	Amount
Equity				
No of shares outstanding at the beginning of the year	10,000	1,00,000	10,000	1,00,000
Add: Additional shares issued during the year year	-	-	-	-
Less: Shares forfeited/Bought back during the year	-	-	-	-
No of shares outstanding at the end of the year	10,000	1,00,000	10,000	1,00,000

(iii) Equity Shares in the entity held by holding company:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.of Shares	% of Holding	No.of Shares	% of Holding
Seema Asit Javeri	-	-	-	-
Ami Abhishek Javeri	-	-	-	-
Sadhana Nitro Chem Ltd	9,999	100%	9,999	100%
Abhishek Javeri as a Nominee of Sadhana Nitro Chem Ltd	1	0%	1	0%

Spidigo Net Pvt. Ltd.
Notes forming part of the financial Statements for the year ended March 31, 2021

Note 9: Other Equity

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
I	Retained Earnings		
	Opening balance	(8,24,71,452)	(4,71,82,124)
	Add: Profit / (Loss) for the year	22,14,968	(3,52,89,328)
ii	Closing Balance	(8,02,56,484)	(8,24,71,452)
	Other Comprehensive Income (OCI)		
	Opening Balance	11,76,008	11,76,008
	Add: Movement in OCI (Net) during the year		
	Closing Balance	11,76,008	11,76,008
	Total	(7,90,80,476)	(8,12,95,444)

Note 10: Provisions

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
A	Non Current		
	Employee Benefit Obligations		
	(i) Compensated absences	-	44,39,570
	(ii) Gratuity (Refer Note No. 19)	-	-
	Total	-	44,39,570
B	Current		
	Employee Benefit Obligations		
	(i) Compensated absences	-	-
	(ii) Gratuity (Refer Note No. 19)	-	-
	Provision for Income Tax	-	2,71,995
	Total	-	2,71,995

Note 11: Borrowings

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
(I)	Non-Current Term Borrowings		
	Inter Corporate Deposit [Refer Footnote (I)]	8,77,68,325	6,61,31,372
	Total	8,77,68,325	6,61,31,372

Note 12: Trade Payables

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
	Micro and Small Enterprises (Refer Note A)		
	Others	56,17,989	96,47,625
	Total	56,17,989	96,47,625

Note A: There is no amount due from any of the Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006".

Spidigo Net Pvt. Ltd.
Notes forming part of the financial Statements for the year ended March 31, 2021

Note 13: Other Liabilities

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
	Other Current Liabilities		
	Statutory Dues	62,36,593	66,17,415
	Advance From Customer	-	4,45,688
	Deposit from Customer	-	1,13,74,067
	Payable to Employees	9,17,350	-
	Other Provision	3,80,000	84,58,022
	Total	75,33,943	2,68,95,192

Note 14: Revenue from Operations

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
	Sales		
	(a) Internet Service Sale	445688	2,51,20,643
	(b) Traded Goods	-	-
	Total	4,45,688	2,51,20,643

Note 15: Other Income

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
	Other Income		3
	FD Interest Income	6539	9,506
	Balance Write Back	13210855	-
	Provision for doubtful advance	384000	-
	Total	1,35,81,394	9,509

Note 16: Cost of materials consumed

Sr. No	Particulars	As at March 31, 2021	As at March 31, 2020
	Internet and Domain Charges	-	71,61,053
	Fibre Rent & Expenses	-	-
	Deployment Expense	-	14,25,594
	Total	-	85,86,647

Note 17: Employee Benefit Expenses

Sr. No	Particulars	For the period ended March 31, 2021	For the year ended March 31, 2020
	Salaries and wages, including bonus	-	17,52,256
	Contribution to Provident and other funds	-	-
	ESIC Damages	-	3,05,686
	Staff welfare expenses	-	-
	Total	-	20,57,942

Spidigo Net Pvt. Ltd.
Notes forming part of the financial Statements for the year ended March 31, 2021

Note 18: Finance Cost**(Amount in Rs.)**

Sr. No	Particulars	For the period ended March 31, 2021	For the year ended March 31, 2020
	Interest expense on term loans and other financial liabilities	66,43,171	-
	Bank Commission and Other Interest Charges	236	38,22,689
	Total	66,43,407	38,22,689

Note 19: Other Expenses**(Amount in Rs.)**

Sr. No	Particulars	For the period ended March 31, 2021	For the year ended March 31, 2020
	Power and Fuel		1,10,769
	Rent, Rates and Taxes		49,500
	Repair and Maintenance Expenses		15,380
	Travelling and Conveyance Expenses		21,180
	Other Exp	249751	2,66,710
	Rate & Taxes		20,31,634
	Telephone and Mobile Expenses		7,850
	Office and Other Expenses		2,41,246
	Legal and Professional Charges		50,200
	Commission		26,555
	Insurance Charges		42,100
	Provision for Doubtful Advances		35640844
	Sales & Marketing Exp.		1699446
	Sundry Balances W/off	246772	
	Audit Fees [*]	200000	2,00,000
	Total	6,96,523	4,04,03,414

For and on behalf of the Board of Directors

Abhishek Javeri
Director
DIN : 00273030

Seema Javeri
Director
DIN : 01768936



ANNUAL STATEMENT OF ACCOUNTS OF ANUCHEM BVBA

BALANCE SHEET AFTER DISTRIBUTION OF PROFIT

As at 31-dec-2020

	2020 (currency : Euro)	2019 (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	28344,49	54.782,93
	28219,49	56.657,93
2) Current Liabilities		
a) Trade Payables	2.370.300,41	2.945.377,27
b) advance from client	0,00	0,00
c) Services	5.977,84	17.644,95
d) Dividend Payable	5.625,00	5.625,00
e) Tax Payable	0,00	1.410,07
	2.381.903,05	2.970.057,29
TOTAL OF LIABILITIES	2.428.872,54	3.045.465,22
ASSETS		
1) Non-current assets		
a) Fixed Assets		
Fixed Assets (gross)	1.830,97	1.830,97
Less : depreciation	(1830,97)	(1830,97)
	0,00	0,00
2) Current Assets		
a) Inventories	2.269.765,63	2.403.017,21
b) Recievables		
i) Trade receivables	61.378,38	396.207,92
ii) Advande too supplier	88.066,09	193.018,47
iii) Vat receivables	1.230,38	583,85
	150.674,85	589.810,24
3) Liquid resources	8.432,06	52.637,77
TOTAL OF ASSETS	2.428.872,54	3.045.465,22

AGIVER BVBA
Accountantskantoor
Reg nr 4755.2N.53

Antwerp, 31 May 2021

Verschaeren Ronny
Director

Verreyken Luc
Auditor

ANNUAL STATEMENT OF ACCOUNTS OF ANUCHEM BVBA

PROFIT AND LOSS ACCOUNT

As at 31-dec-2020

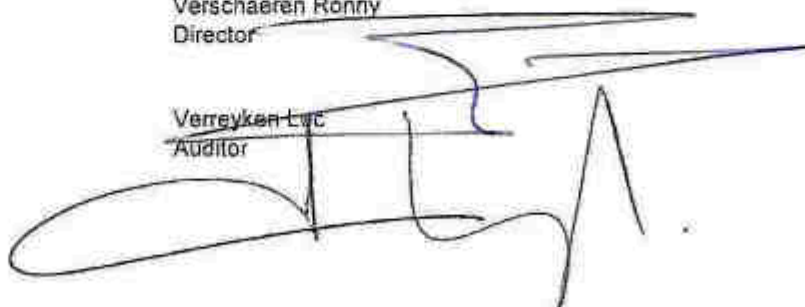
	2020 (currency : Euro)	2019 (currency : Euro)
INCOME :		
Turnover	976.141,69	2.195.300,04
Interest received	31,72	332,27
Increase/decrease in closing stock	51383,88	2144019,87
Income(loss) on exchange fluctuation	8985,37	(10691,55)
	<u>1.036.542,66</u>	<u>4.328.960,63</u>
EXPENSES :		
Purchases	982.089,83	4.223.047,93
Clearing on forwarding charges	73.599,97	91.919,65
Travelling and administrative expenses	5.854,45	7.710,57
Local Taxes	988,00	445,50
Financial expenses	2.459,53	2.417,86
Depreciation/amount written off trade debtors	0,00	0,00
	<u>1.064.971,58</u>	<u>4.325.541,51</u>
PROFIT(LOSS) BEFORE TAXATION :	(28428,92)	3419,12
Less : Provision tax for the year	9,52	1141,31
PROFIT(LOSS) AFTER TAX	(28438,44)	2277,81
Add : Carried over profit(loss) of last year	54782,93	52505,12
Less 1) Payment for dividend	0,00	0,00
profit(loss) to be carried over	26344,49	54782,93

AGIVER BVBA
Accountantskantoor
Reg nr 4755.2N.53

Antwerp, 31 May 2021

Verschaeren Ronny
Director

Verreyken Luc
Auditor



QUARTERLY STATEMENT OF ACCOUNTS OF ANUCHEM BVBA

PROFIT AND LOSS ACCOUNT

As at 31-dec-2020

(currency : Euro)

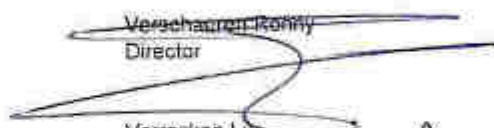

	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
INCOME :					
Turnover	617.825,29	185.632,91	114.903,53	77.779,96	976.141,69
Intrest received	25,09	6,63	0,00	0,00	31,72
Increase/decrease in closing stock	109.616,40	-114.592,48	54.859,66	1.500,28	51.383,86
Income(loss) on exchange fluctuation	-1.528,72	-2.427,63	-5.541,38	18.483,10	8.985,37
	725.938,06	48.619,45	164.221,81	97.763,34	1.036.542,66
EXPENSES :					
Purchases	747.439,18	0,00	162.149,95	72.500,50	982.089,63
Clearing and forwarding charges	18.331,80	13.844,26	28.644,47	12.779,44	73.599,97
Travelling and administrative expenses	1.443,99	2.281,94	1.199,00	928,52	5.854,45
Local Taxes	0,00	0,00	968,00	0,00	968,00
Financial expenses	875,61	644,73	628,74	312,45	2.459,53
Depreciation/amount written off trade debtors	0,00	0,00	0,00	0,00	0,00
	768.090,58	16.770,93	193.588,16	86.521,91	1.064.971,58
PROFIT BEFORE TAXATION :	-42.152,52	31.848,52	-29.366,35	11.241,43	-28.428,92
Less : Taxes provided for the year	7,53	1,99	0,00	0,00	9,52
For the earlier year	0,00	0,00	0,00	0,00	0,00
	7,53	1,99	0,00	0,00	9,52
PROFIT AFTER TAX	-42.160,05	31.846,53	-29.366,35	11.241,43	-28.438,44

AGIVER BVBA
Accountantskantoor
Reg nr 4755.2N.53

Antwerp, 31 May 2021

Verschueren Koenig
Director

Verreyken Luc
Auditor

DIRECTOR'S REPORT

The Directors of Anuchem BV are pleased to submit herewith the annual report and Audited statement of accounts for the year ended 31st December 2020

Review of business:

The principal activities of the company continued to be marketing of Chemicals. The Turnover during the year was EUR 976.141,69 (2019 - EUR 2.195.300,04). The loss for the Year as at EUR 28.438,44 (2019 profit after Tax as at - EUR 2.277,81)

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 a no dividend for the year 2020.

AUDITORS :

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

On behalf of board

A.D. Javeri
Director
Represented by VERSCHAEREN Ronny

Antwerpen, 31 May 2021

AUDITORS REPORT

AGIVER BV ACCOUNTANTSKANTOOR
BISSCHOPPENHOFLAAN 588
2100 DEURNE
REG. N° 4755 2N 53

To the shareholders of Anuchem BV :

I have audited the balance sheet of Anuchem BV as at 31st December 2020 and the related Profit and 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.

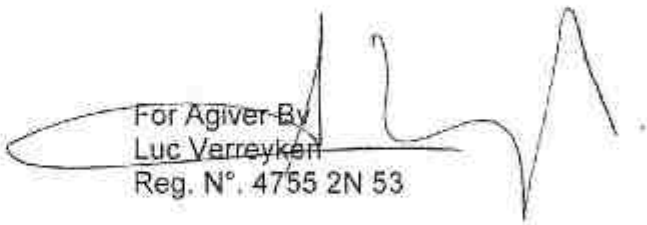
I have conducted my audit in accordance with the auditing standards issued by IAB Accountants organisation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and 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, 2020 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, 31 May 2021

For Agiver-Bv
Luc Verreyken
Reg. N°. 4755 2N 53





NOTES ON ANNUAL STATEMENT OF ACCOUNT OF ANUCHEM BV FOR 2019

TRAVELLING AND AMINISTRATIVE EXPENSES

	2020	2019
Fees & professional charges	5.781,95	6.850,72
Register and publication costs	72,50	72,10
Other business expenses	0,00	787,75
	<u>5.854,45</u>	<u>7.710,57</u>

CLEARING AND FORWARDING CHARGES

Freight sales	36.966,10	55.552,13
Freight purchase/storage	14.226,45	24.367,52
Freight Insurance	10.407,42	0,00
Fee for bookkeeping	12.000,00	12.000,00
	<u>73.599,97</u>	<u>81.919,65</u>

LOCAL TAXES

Local taxes	968,00	445,50
	<u>968,00</u>	<u>445,50</u>

FINANCIAL EXPENSES

Interests	17,21	-1,53
Bankcharges	2.442,32	2.419,39
Factoring fee + subscription	0,00	0,00
Interests on Factoring	0,00	0,00
Difference in payments	0,00	0,00
	<u>2.459,53</u>	<u>2.417,86</u>

LIQUID RESOURCES

Belfius (Usd)	893,49	38.237,11
Belfius (Euro) + Deposit factoring	7.538,57	14.400,66
	<u>8.432,06</u>	<u>52.637,77</u>
Cash Balance	0,00	0,00
	<u>8.432,06</u>	<u>52.637,77</u>

AGIVER BV
Accountantskantoor
Reg nr 4755,2N.53

Antwerp, 31 May 2021

Verschueren Ronny
Director

Verreyken Luc
Auditor

NOTES ON ANNUAL STATEMENT OF ACCOUNT OF ANUCHEM BV FOR 2020
1) ACCOUNTING POLICIES:

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) STOCKS:

Stocks are valued at lower of cost or net realisable value.

c) CURRENCIES:

This accounts have been prepared in Euro. (€)

d) FOREIGN CURRENCIES:

Revenue transactions 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 rate of exchange ruling at the end of financial year.

e) DEPRECIATION

Depreciation on Fixed assets is at the rate of 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 € 25,00 Euro each.

3) RECIEVABLES (due within one year)

	More than 6 Months		Others	
	2020	2019	2020	2019
a) Trade receivable	0,00	0,00	51.378,38	395.207,92
b) Advance to supplier	0,00	0,00	88.065,09	193.018,47
c) Vat receivable	-	-	583,85	583,85
	<u>0,00</u>	<u>-</u>	<u>150.028,32</u>	<u>588.810,24</u>

4) SUPPLIERS (due within one year)

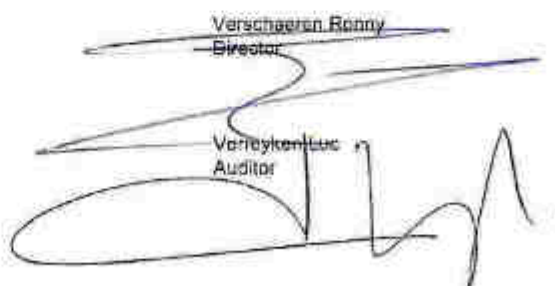
	More than 6 Months		Others	
	2020	2019	2020	2019
a) For Purchases	2.010.199,91	2.612.644,06	360.100,50	332.733,21
b) Advance from client	-	-	0,00	0,00
b) For services	-	-	5.977,64	17.644,95
	<u>2.010.199,91</u>	<u>-</u>	<u>366.078,14</u>	<u>350.378,16</u>

AGIVER BV
Accountantskantoor
Reg. nr 4755.2N.53

Antwerp, 31 May 2021

Verscheeren Ronny
Director

Vorleyken Luc
Auditor





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