



SADHANA NITRO CHEM LIMITED

CIN : L24110MH1973PLC016698

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

Tel. : 022-23822524 • Fax : 022-23887235

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

SNCL/SD/16/

November 17, 2016

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001.

BSE Scrip Code: 506642

Subject: 43rd Annual Report for the financial year ended March 31, 2016 and Notice of Forty-Third Annual General Meeting of the Company.

Sir/Madam,

Please find enclosed 43rd Annual Report of the Company for the financial year ended March 31, 2016 along with Notice of the forty-third Annual General Meeting of the Company scheduled held on August 12, 2016 at 03:00 p.m. at Sheth Hirachand Gumanji Trust Hall, Hira Baug, 1st Floor, Kasturba Chowk (C.P. Tank) Mumbai- 400004.

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

Thanking You,

Yours Sincerely,

For **SADHANA NITRO CHEM LIMITED**

Nitin Jani

Company Secretary

Membership No: A4757

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

Jawahar Nagar Road No. 2,

Goregaon-West, Mumbai-400062

Encl: As above



Sadhana Nitro Chem Limited
43rd Annual Report 2015-16

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BOARD OF DIRECTORS	Shri Asit D. Javeri Shri Arvind R. Doshi Shri Priyam S. Jhaveri Shri Dhirendra M. Shah Shri Pradeep N. Desai Shri Abhishek A. Javeri Smt Seema A. Javeri	Chairman & Managing Director Director Director Director Director Director & CFO (w.e.f. 10.02.2016) Executive Director - Administration
KEY MANAGERIAL PERSONNEL	Shri Nitin R. Jani Shri Sanjeev P. Shah	Company Secretary CFO - (upto 14.08.2015)
BANKERS	STATE BANK OF INDIA, Mumbai & Roha AXIS BANK LTD., Mumbai STATE BANK OF PATIALA, Mumbai	
AUDITORS	V. SANKARAIYAR & CO. Chartered Accountants 2-C. Court Chambers, 35, New Marine Lines, Mumbai- 400 020.	
REGISTERED OFFICE	HIRABAUG, 1 st Floor, Kasturba Chowk (C.P. Tank), Mumbai- 400 004. Phone : 022-23822524 Fax : 022-23887235. E-mail : sadhananitro@sncl.com Website : www.sncl.com	
CIN NO	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-13 Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai- 400 078. Phones : 022-25963838 Fax : 022-2594 6969 E-mail : rnt.helpdesk@linkintime.co.in	

NOTICE TO THE MEMBERS



NOTICE IS HEREBY GIVEN THAT THE FORTY-THIRD ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD AT SHETH HIRACHAND GUMANJI TRUST HALL, HIRA BAUG, 1ST FLOOR, KASTURBA CHOWK (C.P. TANK) MUMBAI- 400004 ON FRIDAY, THE 12TH AUGUST, 2016 AT 3.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Standalone and Consolidated Balance Sheet & Profit and Loss Account with Notes thereon and Cash Flow Statement for the Financial Year ended 31st March, 2016 together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Abhishek A. Javeri (DIN : 00273030) who retires by rotation and is eligible for reappointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

“**RESOLVED THAT** M/s. V. Sankar Aiyar & Co., Chartered Accountants (Registration No.109208W), be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company.”

Registered Office :

Hira Baug, 1st Floor,
Kasturba Chowk, (C.P. Tank),
Mumbai 400 004.
CIN : L24110MH1973PLC016698
E-mail : sadhananitra@sncl.com
Date : 27th May, 2016.

By Order of the Board

N.R. Jani
Company Secretary

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. The proxy in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
Corporate members intending to send their Authorised Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf.
In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
2. The Company has appointed M/s. Link Intime India Private Limited (RTA), C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup, Mumbai 400 078 as Registrars and Share Transfer Agents for Physical Shares. The said (RTA) is also the Depository interface of the Company with both NSDL & CDSL. Their Telephone No. 022-25963838, E-mail address: mt.helpdesk@linkintime.co.in, Fax No. 022-25946969.



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. 022-23822524, E-mail address:sadhananitro@sncl.com.

3. The Company has transferred the unpaid or unclaimed dividends upto the financial years 2007-08 from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
4. 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.
5. The Register of Members and the Share Transfer Book of the Company will remain closed from Monday, the 1st August, 2016 to Friday, the 12th August, 2016 (both days inclusive) for the purpose of Annual General Meeting.
6. All documents referred to in the accompanying notice and the explanatory statements are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
7. 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.
8. The Register of Contracts or Arrangements in which Directors are interested, maintained under section 301 of the Companies Act, 1956 and Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
9. Entrance Pass and Proxy Form is annexed. Members are requested to bring their duly filled in attendance slip with copy of Annual Report to the place of meeting.
10. Members who hold shares in Dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
11. Members desiring any information are requested to write to the Company 10 days in advance.
12. 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.
13. **Voting through electronic means**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 43rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.



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- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 9th August, 2016 (9:00 am) and ends on 11th August, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 5th August, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Depository Participants(s)]:

- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder-Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" (E-voting Event Number) of Sadhana Nitro Chem Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional & Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sadhananitro@sncl.com with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

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

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or call on toll free no.:1800-222-990.



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- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. 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 of 5th August, 2016.**
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 5th August, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.:1800-222-990.
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Mrs. Kumudini Paranjape, Partner of M/s Makarand M Joshi & Co., Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.sncl.com and on the website of NSDL The results shall simultaneously be communicated to the Stock Exchange Limited(BSE), Mumbai.

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Mumbai 400 004.
CIN : L24110MH1973PLC016698
E-mail : sadhananitra@sncl.com
Date : 27th May, 2016.

By Order of the Board

N. R. Jani
Company Secretary



To the Members of
SADHANA NITRO CHEM LIMITED

Your Directors take pleasure in presenting the 43rd Annual Report together with Audited Financial Statements for the Financial Year ended 31st March, 2016. The Management Discussion and Analysis has also been incorporated into this report.

1. FINANCIAL RESULTS

(In Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2015-16	2014-15	2015-16	2014-15
Revenue from operations (Net) & Other Income	3,524	4,845	3,603	4,854
Profit before Finance Cost, Depreciation, Exceptional item and Tax (EBIDTA)	223	(286)	215	(323)
Finance Cost	(507)	(495)	(509)	(519)
Depreciation	(200)	(207)	(200)	(207)
Profit/(Loss) before exceptional item and taxation	(484)	(988)	(494)	(1050)
Exceptional Items	-	1305	-	1343
Tax Expense	-	102	-	102
Profit/(Loss) after tax	(484)	419	(494)	395

2. DIVIDEND

In view of the loss, your Directors do not recommend any dividend for the FY 2015-16. During the year the unclaimed dividend pertaining to the financial year 2007-08 was transferred to the Investor Education & Protection Fund (IEPF).

3. REVIEW OF OPERATIONS

The total revenue of your company for the financial year ending 31st March, 2016 has been ₹ 3524 Lakhs (PY ₹ 4845 Lakhs).

The Company continued to face liquidity crunch which adversely affected its operational level. This increased cost of production though operating efficiency was in full check. Prices of raw materials were higher in the first eight months. This affected margins despite improved operating efficiency and keeping overheads under check.

The Company could not achieve higher operating limits due to paucity of working Capital Funds. The Company is taking rigorous steps to stream line the production for achieving the optimum operating level. As a result, the EBIDTA from normal operation for 2015-16 was ₹ 223 lakhs (PY loss of ₹ 286 lakhs) and for last quarter of 2015-16 profit from normal operation was of ₹ 93 lakhs (Last quarter of PY loss of ₹ 270 lakhs)

There was loss of ₹ 484 Lakhs (PY loss of ₹ 989 Lakhs) from normal operation despite lower turnover during the year. You will appreciate that the loss from normal operation activities has declined by about over 50%.

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

**FINANCIAL HIGHLIGHT OF WHOLLY OWNED SUBSIDIARY COMPANY - ANUCHEM B.V.B.A.**

Particulars	2015 (in Euro)	2014 (in Euro)
Turnover	778913.43	475977.21
Profit before Finance Cost, Depreciation and Tax	(8886.63)	(34.098,02)
Financial Expenses	2862.35	1.285,61
Depreciation	0,00	0,00
Profit/(Loss) before tax expense	(11748.98)	(35.383,63)
Tax Expense	0,00	0,00
Profit/(Loss) after tax	(11748.98)	(35.383,63)

4. EXPORTS

Despite recessionary trend and unfair severe price competition from China, the Exports of your company during the year were ₹ 2342 Lakhs (PY ₹ 2,714 Lakhs).

Exports constituted about over 66% of the overall revenue from operation including other income. Company's Exports are well diversified in terms of product range as well as the Countries of Export.

4.1 Export Oriented Unit (EOU)

Your Company had one of its plants Registered as an EOU with the Development Commissioner, SEEPZ which was valid upto 31.03.2015 and the Company has applied for its extension till 31.05.2015. Thereafter the Company de-registered its said plant from EOU status to DTA status.

5. FINANCE**5.1 Deposits**

The Company has not accepted deposits from the public falling within the ambit of Section 73 of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014.

5.2 Particulars of Loans, Guarantees or Investments

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

Sr. No.	Particulars	Balance as on 31 st March 2016	Balance as on 31 st March 2015
A.	Loans given by the Company	-	-
B.	Guarantees given by the Company	-	-
C.	Investments in foreign Subsidiary and other bodies corporate made by the Company	7,71,550	8,79,969

6. CHEMICAL INDUSTRY AND OPPORTUNITIES & THREATS

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.

Your company has been known for maintaining the highest standard of quality of its products. With the lowering of crude prices, improving energy efficiency and other factors have allowed your company in recent times to be competitive with the Chinese competition and leverage the advantage of a better quality product.



Your company is in the industry since last over 43 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 a good clientele base, which is well diversified over the World. Besides, the domestic market has shown growth.

The major threat faced by the company are escalating raw material prices, crude oil prices, increasing interest rate and volatile foreign exchange market.

7. MARKET AND OUTLOOK

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

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

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

B. ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environmental protection and conservation of natural resources to the extent possible. Your Company has made arrangement for rain water harvesting and re-cycling water.

9. RESEARCH AND DEVELOPMENT

Your company has continuously attached high priority to the R & D Department which is engaged in developing new processes and further improving the existing processes as an ongoing activity to enable your company to keep pace with technological advancement and improve operating efficiency.

10. HUMAN RESOURCE/INDUSTRIAL RELATIONS

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

11. RISKS AND CONCERNS

Macro-economic factors like the slow down, sluggish demand conditions, monetary policy & fiscal policy, unforeseen political and social upheavals, natural calamities may affect the business of your Company as also the industry at large.

With competition intensifying in all segments of the industry, increasing the market shares and the consumer base is a continuing challenge.

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



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

12. ISO CERTIFICATON

Your Company has certification as per ISO 9001-2008 by RINA, Certification for the ISO 14001:2004 and OHSAS B.S. 18001:2007 is under renewal for the development and manufacture of Chemical Intermediates.

13. INSURANCE

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

14. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

- a) The Company has one wholly owned foreign subsidiary viz. Anuchem B.V.B.A. Belgium), and the Audited Financial Statements of the said subsidiary are considered for the purpose of preparing Consolidated Financial statements.
- b) No Company has become/ceased to be a joint venture or associate during the FY 2015-16.

15. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

16. VIGIL MECHANISM/WHISTLE BLOWER POLICY AND RISK MANAGEMENT POLICY

The Company has a vigil mechanism / whistle blower policy which take cognizance of complaints made and suggestions given by employees and others. The Company also adopted Risk Assessment Procedure. The details of the same are mentioned in the Corporate Governance Report.

17. DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

17.1 Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder relationship Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

17.2 Remuneration Policy

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



17.3 Meetings

During the year Four (4) Board Meetings and Four (4) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The composition of the Audit Committee as required under Section 177(8) of the Companies Act, 2013 has been mentioned in the Corporate Governance Report.

17.4 Appointment /Resignation of Key Managerial Personnel (KMP)

- a) During the year, Shri Sanjeev P. Shah, Chief Financial Officer has discontinued from his post of CFO w.e.f. 14th August, 2015.
- b) Shri Abhishek A. Javeri, Director was appointed as Chief Financial Officer of the Company w.e.f. 10th February, 2016.

18. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. that in the preparation of the annual financial statements for the year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note No.1 of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the losses of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

19. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. However as a matter of abundant caution, prior omnibus approval of Board of Directors and Members of the Company has been obtained under Section 188 of the Companies Act, 2013 for the transactions which are of a foreseen and repetitive nature. Approval of the Audit Committee has been obtained for all the related party transactions. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company.

The particulars of contracts or arrangements with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 in the Form AOC-2 is attached as 'Annexure1'.



20. AUDITORS

20.1 Statutory Auditors

The Company's Auditors, Messrs. V. Sankar Aiyar & Co., Chartered Accountants, Mumbai (Firm Regn. No. 109208W) who retire at the ensuing Annual General Meeting of the Company are eligible for reappointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Auditors of the Company. As required under Regulation 33(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Members' attention is invited to Note No.30 of the Notes to Accounts with respect to the observation made by the Auditors under "Emphasis of Matter" appearing in the Auditors Report which is self explanatory.

20.2 Cost Auditors

Cost Audit is not applicable to the Company.

20.3 Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Makarand M. Joshi & Co., Company Secretaries in Practice, Mumbai, has been appointed to undertake the Secretarial Audit of the Company. The Secretarial Audit Report in form MR-3 is annexed herewith as 'Annexure II'.

With respect to the observations, remarks made in the Secretarial Audit Report, the same has been taken note of and the company is in process to file the relevant forms with the appropriate authority.

21. CORPORATE GOVERNANCE

Revised Clause 49 of the Listing Agreement Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 is not mandatory to the Company however, the Company has voluntarily disclosed the Compliance to the best extent possible and accordingly the Management Discussion and Analysis, the Corporate Governance Report, together with the Auditors Certificate on compliance with the conditions of Corporate Governance as laid down are attached alongwith the Annual Report.

22. 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.

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

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

24. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as 'Annexure IV'.



25. PARTICULARS OF EMPLOYEES

There is no Employee drawing Remuneration in excess of the limits prescribed by the Companies Act, 2013. The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

27. ACKNOWLEDGMENTS

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

For and On Behalf of the Board of Directors

Place : Mumbai
Dale : 27th May, 2016

Asit D. Javeri
Chairman & Managing Director

ANNEXURES TO THE BOARD'S REPORT**ANNEXURE-I
FORM AOC-2**

Particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013.

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

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

Name of the Related Party	Nature of Relationship	Nature, Material Terms, Monetary value and Particulars of the contract or arrangement	Date(s) of approval by the Board, if any	Duration of contracts/ arrangements/ transactions	Amount paid as advances, if any
Anuchem b.v.b.a. Belgium	Wholly Owned Subsidiary Company	Transactions relating to the Purchase / Sale of goods to the extent of ₹ 50 Crores p.a. basis.	16/04/2015	Yearly	N.A.
Lifestyle Networks Limited (LNL)	Associate	Availing Information Technology, Web related and other Services as provided by LNL to the extent of ₹ 1 Crore p.a. basis.	16/04/2015	Yearly	N.A.
M/s. Amniser Corporation	Associate	Availing Ticketing and travel Services as provided by the Firm to the extent of ₹ 75 Lacs p.a. basis.	16/04/2015	Yearly	N.A.
Phthalo Colours & Chemicals (I) Limited	Associate	Transactions relating to the Purchase / Sale of goods to the extent of ₹ 5 Crores p.a. basis.	16/04/2015	Yearly	N.A.

ANNEXURE-II**FORM MR-3****SECRETARIAL AUDIT REPORT**

For The Financial Year Ended 31st March, 2016

[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

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, 2016 ('**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, 2016 according to the provisions of :

- (i) The Companies Act, 2013 (**the Act**) and the rules made there under ;
- (ii) The Securities Contracts (**Regulation**) Act, 1956 ('**SCRA**') and the rules made there under ;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under ;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investments (Foreign Direct Investment and External Commercial Borrowing are not Applicable during the audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not Applicable during the audit period**)
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 and its amendments notified on 18th September, 2015 (**Not Applicable during the audit period**)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable during the audit period**)
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable during the audit period**) and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable during the audit period**);
 - i) The Securities and Exchange Board of India (Listing and Obligation Disclosure Requirements) Regulations, 2015 (**w.e.f. 01/12/2015**)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with stock exchanges. (till 30/11/2015)

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

1. The Company has not filed Form MGT-14 for Special resolution passed u/s 180 (1) (a) of the Companies Act, 2013 through Postal Ballot.
2. Form 5 INV was not filed during the financial year 2015-16 in respect of unclaimed and unpaid dividend amount.
3. The Company has filed form foreign assets and liabilities and Annual Performance Report with RBI during the financial year 2015-16 with delay.



We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

We further report that during the audit period:

The Company has obtained the approval of Members of the Company via Special Resolution passed under Section 180 (1) (a) of the Companies Act, 2013 through Postal Ballot held during the audit period.

For Makarand M. Joshi & Co.,

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662

Place : Mumbai
Date : 25th May, 2016



ANNEXURE-III**INFORMATION REQUIRED UNDER SECTION 134(3)(M) OF COMPANIES ACT, 2013 AND RULE 8(3) OF COMPANIES ACCOUNTS RULES, 2014.****A. CONSERVATION OF ENERGY****Steps taken for further conversation of Energy :**

The Company has taken several measures to conserve and optimise the use of energy such as (a) Re-cycling 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 conversation of energy, reduction in water and air pollution, reduction in cost of production etc.

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

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

	31.03.2016	31.03.2015
1. Electricity		
a) Purchased Unit in kwh	17,90,469	2019804
Total amount (₹)	1,63,53,284	1,72,10,284
Rate/Unit (₹)	9.13	8.52
b) Own generation		
Through Diesel Generator Units in (kwh)	9712	21,434
Unit per liter of diesel oil (kwh)	10.70	2.99
Liter of Diesel	907.50	7169
Total amount (₹)	2,66,759	8,37,044
Cost/Units (₹)	27.47	39.05
2. Furnace Oil		
Quantity (KL)	900.39	537.400
Total Cost (₹)	1,87,40,986	1,97,72,848
Average Rate (₹/MT)	20814.30	36793.64
3. Briquettes		
Quantity (MT)	1194.705	2859.385
Total Cost (₹)	75,95,211	1,79,83,248
Average Rate (₹/MT)	6357.40	6762.00
4. Water		
Quantity (M3)	44968	54836
Total Cost (₹)	17,30,244	18,94,332
Average Rate (₹)/M3)	38.477	34.55



B. TECHNOLOGY ABSORPTION

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

RESEARCH AND DEVELOPMENT

1. 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.
2. Benefits derived as a result of the above R&D.
R&D efforts have resulted in development of process for several chemical intermediates, the commercial production of which are commenced, besides improving quality and operating efficiency of existing products.
3. Future Plan of Action
To continue R&D in the relevant areas to achieve its benefits.
4. Expenditure on R&D

	31.03.2016	31.03.2015
(a) Capital	0	0
(b) Recurring	31,25,977	33,17,568
Total	31,25,977	33,17,568
(c) Total R&D expenditure as a% of total turnover	0.90%	0.68%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Activities relating to exports, initiative taken to increase exports, development of new export markets for products and services and export plans.
The Company is exporting about 70% of its chemical intermediate production. The total exports during the year were ₹ 2,342 Lakhs (PY ₹ 2,714 Lakhs). The Company is putting all its efforts to tap new export markets and widen its clientele base.

	31.03.2016	31.03.2015
b) Total Foreign Exchange used and earned. (in ₹)		
(i) Used :		
a) Imports (CIF)	57,29,725	91,38,870
b) Other expenditure	1,92,125	9,33,084
(ii) Earned :		
Exports (F.O.B.)	22,47,95,047	26,36,61,681



ANNEXURE-IV

FORM NO.MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

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

I REGISTRATION AND OTHER DETAILS	
CIN	L24110MH1973PLC016698
Registration Date	21/07/1973
Name of the Company	SADHANA NITRO CHEM LIMITED
Category/Sub-Category of the Company	Company having Share Capital
Address of the Registered office and contact details	Hira Baug, 1 st floor Kasturba Chowk (C.P. Tank), Mumbai 400004
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup, Mumbai-400 078. Telephone No.022-2596 3838 Fax No. 022-25946969. E-mail : rnt.helpdesk@linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY	
Manufacture of Chemical Intermediates, Heavy Organic Chemicals Performance Chemicals.	

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% of total turnover of the company
1.	METAAMINO PHENOL	3009	71.25%
2.	NITROBENZENE	3009	8.75%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
Sr. No.	Name and address of the company	CIN/GLN	Holding/ subsidiary/ associate	%of Shares held	Applicable Section
1.	Manekchand Panachand Trading Investment Co P Ltd	U67120MH1985PTC037397	Holding Company	65%	2(46)
2.	Anuchem B.V.B.A., Belgium	Not Applicable	Foreign Subsidiary	100%	2(67)
3.	Lifestyle Networks Ltd.	U72900MH2005PTC155530	Associate	NIL	2(6)
4.	Phthalo Colours & Chemicals (I) Ltd.	U24110MH1991PTC063399	Associate	NIL	2(6)
5.	M/s Amniseria Corp.	Not Applicable	Associate	NIL	2(6)



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

i) Category-wise Share Holding

Category Code	Category of Shareholders	Shareholding as on 1 st April, 2015				Shareholding as on 31 st March, 2016				% Change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total share	
(I)	(II)									
A	PROMOTERS									
(1)	Indian									
(a)	Individuals/ Hindu Undivided Family	564521	-	564521	6.14	564571	-	564571	6.14	0.01
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	5960611	-	5960611	64.78	5960611	-	5960611	64.78	-
(d)	Financial institutions/ Banks	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	6525132	-	6525132	70.92	6525182	-	6525182	70.92	-
(2)	Foreign									
(a)	Individuals (Non-Resident individuals/ Resident)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	6525132	-	6525132	70.92	6525182	-	6525182	70.92	-
B	PUBLIC SHAREHOLDING									
(1)	Institutions									
(a)	Mutual Funds/ UTI	360	200	560	0.01	360	200	560	0.01	-
(b)	Financial Institutions/ Bank	462	159	621	0.01	462	159	621	0.01	-
(c)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-



(f)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
(g)	Foreign Venture capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	822	359	1181	0.02	822	359	1181	0.02	-
(2)	Non Institutions									
(a)	Bodies Corporate	246627	1169	247796	2.69	174185	1169	175354	1.91	0.78
(b)	Individuals									
	(I) Individuals holding nominal share capital upto ₹ 1 Lakh	1220402	210880	1431282	15.56	1392503	262160	1654663	17.98	2.42
	(II) Individuals holding nominal share capital in excess of ₹ 1 Lakh	786224	103628	889852	9.67	689939	-	689939	7.50	2.17
(c)	Qualified Foreign - Investor	-	-	-	-	-	-	-	-	-
(d)	Any Other (specify)									
	Other Directors' & relatives	34569	20809	55468	0.60	34659	20809	55468	0.60	-
	Non Resident Indians (Repat)	29153	5494	34647	0.38	28348	5494	33842	0.37	0.01
	Non Resident Indians (Non-Repat)	1851	-	1851	0.02	1845	-	1845	0.02	-
	Clearing Members	4844	-	4844	0.05	15861	-	15861	0.17	0.12
	Trust	-	-	-	-	-	-	-	-	-
	Hindu Undivided Family	8777	-	8777	0.09	47495	-	47495	0.52	0.43
	Market Maker	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	2335237	341980	2674517	29.06	2384835	289632	2674467	29.07	0.01
	Total Public Shareholding (B) = (B)(1)+(B)(2)	2333359	342339	2675698	29.08	2385657	289991	2675648	29.09	0.01
	TOTAL (A)+(B)	8858491	342339	9200830	100	8910839	289991	9200830	100	
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	8858491	342339	9200830	100	8910839	289991	9200830	100	



II) Shareholding pattern of the Promoters

Sr. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	%of Total shares	%of Shares Pledged/ encumbered to total shares	No. of Shares	%of Total shares	%of Shares Pledged/ encumbered to total shares	
1	Manekchand Panachand Trading Investment Co. P. Ltd.	5960611	64.78	59.78	5960611	64.78	59.78	0.00
2	Asit D. Javeri	379953	4.13	0.00	380003	4.13	0.00	0.01
3	Molina D. Javeri	79661	0.86	0.00	79661	0.86	0.00	0.00
4	Abhishek A. Javeri	37100	0.40	0.00	37100	0.40	0.00	0.00
5	Sadhana Rajiv Jain	29190	0.32	0.00	29190	0.32	0.00	0.00
6	Chandrika D. Javeri	29190	0.32	0.00	29190	0.32	0.00	0.00
7	Seema A. Javeri	7327	0.08	0.00	7327	0.08	0.00	0.00
8	Anuradha A. Javeri	2100	0.02	0.00	2100	0.02	0.00	0.00
	TOTAL	6525132	70.92	59.78	6525182	70.92	59.78	0.01

III) Change in Promoter's Shareholding

	Shareholding as on 31 st March, 2016		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	6525132	70.92		
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):- Purchase of shares from the open market			Date	No.
			28.04.2015 08.05.2015	25 25
At the End of the year			6525182	70.92



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

Sr. No.	For each of the Top 10 Shareholders	Shareholding as on 31 st March, 2015		Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus / sweat equity etc.			Cumulative Shareholding during the year and Balance as at 31 st March, 2016	
		No. of shares	% of total shares of the	Increase (No of shares) company	Decrease (No of shares)	Reason	No of shares	% of total shares of the company
1	Veena K Jagwani	173773	1.8886	-	-	-	173773	1.8886
2	Vinod Kumar Ohari	106296	1.1553	-	-	-	106296	1.1553
3	Sangeetha S	98491	1.0705	-	-	-	98491	1.0705
4	Updesh K Kausal	42750	0.4646	-	-	-	42750	0.4646
5	Harsh Amit Mehta	33000	0.3587	-	-	-	33000	0.3587
6	Nitin R. Jani	27392	0.2977	-	-	-	27392	0.2977
7	Amit M Mehta	27366	0.2974	1500	-	Purchase	28866	0.3137
8	Mohak Amit Mehta	26000	0.2826	-	-	-	26000	0.2826
9	Foujdar Sudhakar	25000	0.2717	6450	-	Sale	18550	0.2016
10	B Ramchandra Kamath	20200	0.2195	-	-	-	20200	0.2195

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For each of the Top 10 Shareholders	Shareholding as on 31 st March, 2015		Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus / sweat equity etc.			Cumulative Shareholding during the year and Balance as at 31 st March, 2016	
		Name	No. of shares	% of total shares of the	Increase (No of shares) company	Decrease (No of shares)	Reason	No of shares
A	DIRECTORS							
1	Asit D. Javeri, Chairman & Managing Director	379953	4.1295	50	-	Purchase	380003	4.1301
2	Arvind R. Doshi, Non-Executive Director	12498	0.1358	-	-	-	12498	0.1358
3	Priyam S. Jhaveri, Non-Executive Director	100	0.0011	-	-	-	100	0.0011
4	Dhirendra M. Shah, Non-Executive Director	5000	0.0543	-	-	-	5000	0.0543
5	Pradeep N. Desai, Non-Executive Director	100	0.0011	-	-	-	100	0.0011
6	Seema A. Javeri, Executive Director-Administration	7327	0.0796	-	-	-	7327	0.0796
7	Abhishek A. Javeri, Director & CFO	37100	0.4032	-	-	-	37100	0.4032
B	KMP							
1	Nitin R. Jani, Company Secretary	27392	0.2977	-	-	-	27392	0.2977



V. INDEBTEDNESS

	Secured Loan excluding deposits	Unsecured Loans	Inter Corporate Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	14,33,68,521	14,90,073	12,80,45,175	27,29,03,769
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	14,33,68,521	14,90,073	12,80,45,175	27,29,03,769
Changes in Indebtedness during the financial Year				
Addition(Reduction)	5,28,74,103	(2,41,925)	1,38,77,301	6,65,09,479
Net Change	5,28,74,103	(2,41,925)	1,38,77,301	6,65,09,479
Indebtedness at the end of the financial year				
i) Principal amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	14,33,68,52	14,90,073	12,80,45,175	27,29,03,769
Total (i + ii + iii)	19,62,42,624	12,48,148	14,19,22,476	33,94,13,248

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No	Particulars of Remuneration	Total Amount	
		Shri. Asit D. Javeri CMD	Smt. Seema A. Javeri ED-Admin.
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	52,19,494	13,50,000
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify - (Guarantee Commission)	- -	- -
5	Others	-	-
	Total (A)	52,19,494	13,50,000



B. REMUNERATION TO OTHER DIRECTORS :

Sr. No	Particulars of Remuneration	Name of Directors				Total Amount ₹
		Arvind Doshi	Priyam Jhaveri	D.M. Shah	Pradeep Desai	
1.	<u>Independent Directors</u> Fee for attending board / committee meetings Commission Others, please specify	33,000 - -	41,000 - -	41,000 - -	10,000 - -	1,25,000 - -
	Total (1)	33,000	41,000	41,000	10,000	1,25,000
2	<u>Other Non-Executive Directors</u> Fee for attending board / committee meetings Commission Others, please specify				Abhishek Javeri 20,000 - -	20,000 - -
	Total (2)				20,000	20,000
	Total (B)=(1+2)					1,45,000
Ceiling as per the Act ₹ 1 Lakh per Meeting Attended per Director.						

C. REMUNERATION TO KMP

Sr. No	Particulars of Remuneration	Key Managerial Personnel (in lacs)				
		CMD	CS	CFO	ED- Admin.	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	52.19 - -	49.82 - -	3.53* - -	13.50** - -	119.04 - -
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission -as % of profit -others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	TOTAL	52.07	49.82	3.53	13.50	119.04

*Upto 14/08/2015 ** With effect from 01/07/2015

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding feesImposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
Company & Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
Other Officers In Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

REPORT ON CORPORATE GOVERNANCE



Revised Clause 49 of the Listing Agreement, Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not mandatory to the Company, however, the Company has voluntarily disclosed the Compliance to the best extent possible and accordingly the Corporate Governance Report, together with the Auditors Certificate on compliance with the conditions of Corporate Governance laid down are presented in the Report on Corporate Governance for the year ended 31st March, 2016.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

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

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

Our Governance philosophy is based on the following :-

- * Management is the trustee of the Shareholders capital and not the owner.
- * Provide an enabling environment to harmonize the goals of maximizing stakeholder value and maintaining a customer centric focus.
- * Have a simple and transparent corporate structure driven solely by business needs.
- * Communicate externally, in a truthful manner, about how the Company is running internally.
- * Make clear distinction between personal convenience and corporate resources.
- * Be transparent and maintain high degree of disclosure levels in all facets of its operations.
- * Satisfy the spirit of the law and not just the letter of the law.

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

2. BOARD OF DIRECTORS :

Composition of the Board and Directorship held in other Companies as on 31st March, 2016

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

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



3. DIRECTORS' PROFILE :

Shri Asit D. Javeri (DIN : 00268114) aged 60 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 31 years.

At present Shri Asit D. Javeri is Executive Chairman & Managing Director of the Company. He is promoter of the company and holds 380003 Equity Shares of the company as on 31st March, 2016.

Name of the Companies he holds Directorship	Name of the Companies in which he is a Member of the Committee of the Board
<ol style="list-style-type: none">1. Premier Limited2. Indian Extractions Limited3. Phthalo Colours & Chemicals (I) Ltd.4. Lifestyle Net Works Ltd.5. Anuchem b.v.b.a., Belgium6. Manekchand Panachand Trading Investment Company Pvt. Ltd.7. Chandra Net Private Limited8. Strix Wireless Systems Pvt. Ltd.9. Strix System Inc. USA10. AHANA Inc. USA	<p>Sadhana Nitro Chem Limited Share Transfer Committee-Member (Executive)</p> <p>Premier Limited Stakeholders Relationship Committee - Chairman (Non Executive)</p> <p>Nomination & Remuneration Committee, Audit Committee- Member (Non Executive)</p> <p>Indian Extractions Limited Audit Committee, Nomination & Remuneration Committee Stakeholders Relationship Committee - Chairman (No Executive)</p> <p>Phthalo Colours & Chemicals (I) Limited Audit Committee-Member (Non Executive)</p>

Shri Arvind R. Doshi (DIN : 00015293) aged 77 years, is a Civil & Sanitary Engineer from VJTI, Mumbai and Diploma in Business Management.

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

He has a wide experience in industries like Engineering & Automobiles since 1965. He has received Prestigious Dadabhai Naroji International award for Excellence & Achievement in 1999. Also he has been awarded Samaj Ratna by Mahamastaka Abhishek Committee 2006. Shri Arvind R. Doshi is holding 12498 Equity Shares of the company as on 31st March, 2016.

Name of the Companies he holds Directorship	Name of the Companies in which he is a Member of the Committee of the Board
<ol style="list-style-type: none">1. PAE Limited2. PAE Renewables Pvt. Ltd.	<p>Sadhana Nitro Chem Limited Nomination & Remuneration Committee-Chairman (Non Executive) Audit and Stakeholders Relationship Committee -Member (Non Executive)</p> <p>PAE Limited Stakeholders Relationship Committee-Member</p>



Shri. Priyam S. Jhaveri (DIN : 00045038) aged 62 years. He is a Commerce graduate and having rich experience in Chemical Industry. He is associated with Nanavati Group of Companies and joined Company as a Director from 11th March, 1996. He is holding 100 Equity Shares of the Company as on 31st March, 2016.

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

Shri. Dhirendra M. Shah (DIN: 00360008) aged 70 years. He is Commerce and Law graduate having experience of 48 years as Advocate-Tax Consultant. He joined the company as a Director from 29th July, 2002. He is holding 5000 Equity Shares of the company as on 31st March, 2016.

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

Shri Pradeep N. Desai (DIN : 01602942) aged 54 years. He is Chemical Engineer. He joined the company as a Director from 12th February, 2013. He is holding 100 Equity Shares of the company as on 31st March, 2016.

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



Shri Abhishek A. Javeri (DIN: 00273030) aged 34 years. He is son of Mr. Asit D. Javeri, Chairman and Managing Director of the Company. He is BA in Economics from North Western University, USA. He joined the company as a Director from 24th January, 2007. He is holding 37100 Equity Shares of the company as on 31st March, 2016.

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

Smt. Seema A. Javeri (DIN : 01768936) aged 58 years. She is a B.Sc. She has an experience of 12 years in Administration. She joined the company as a Director from 13th February, 2014. She is holding 7327 Equity Shares of the company as on 31st March, 2016.

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

4. ATTENDANCE RECORD OF THE DIRECTORS :

During the Financial Year 2015-16

- Four Meetings of Board of Directors were held on 16th April, 2015, 11th August, 2015, 10th November, 2015 & 10th February, 2016.
- Last Annual General Meeting (AGM) was held on 11th August, 2015.
- Extra Ordinary General Meeting (EOGM) was held NIL.

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

Name of Director	Board	AGM	EOGM
Mr. Asit D. Javeri	4	Yes	Nil
Mr. Arvind R. Doshi	3	Yes	Nil
Mr. Priyam S. Jhaveri	4	Yes	Nil
Mr. D.M. Shah	4	No	Nil
Mr. Abhishek A. Javeri	4	Yes	Nil
Mr. Pradeep N. Desai	2	No	Nil
Smt. Seema A. Javeri	4	Yes	Nil



5. BOARD PROCEDURE :

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

6. AUDIT COMMITTEE :

As required u/s 177 of the Companies Act, 2013 read with provisions of Clause 49 of the Listing Agreement, the Board has constituted Audit Committee which consists of the following Directors.

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

Powers of the Audit Committee :

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

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

1. 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.
2. 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.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with management the annual financial statements before submission to the Board, for approval with particular reference to :
 - a. Matters required being included in the Director's Responsibility Statement.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with Listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussions with internal auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.



10. Discussions with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
The Audit Committee shall mandatorily review the following information.
 1. Management discussion and analysis of financial condition and results of operations ;
 2. Statement of significant related party transactions (as defined by the audit committee), submitted by Management ;
 3. Management letters/letters of internal control weaknesses issued by the statutory auditors ;
 4. Internal audit reports relating to internal control weakness; and
 5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Mr. V. Mohan and Mr. Arvind Mohan, V. Shankar Aiyar & Co. Partner of the firm of Statutory Auditors and Mr. Chandrashekar Iyer.

Chandrashekar Iyer & Co., Proprietor of firm of Internal Auditor, have been permanent invitees to the Audit Committee Meetings besides Chairman & Managing Director, Chief Financial Officer and Company Secretary attended most of the meeting of the Audit Committee as invitee.

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

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

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

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

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

The attendance record of each member of the Audit Committee at the Meeting held on 16th April, 2015, 11th August, 2015, 10th November, 2015 & 10th February, 2016 are as follows:-

Name	Date of Appointment	Non-Executive / Independent	Numbers of Meetings	
			Held	Attended
Mr. D.M. Shah	29 th April, 2008	Non-Executive - Independent	4	4
Mr. Arvind R. Doshi	29 th April, 2008	Non-Executive - Independent	4	3
Mr. Priyam S. Jhaveri	29 th April, 2008	Non-Executive - Independent	4	4

The previous Annual General Meeting was held on 11th August, 2015 and it was not attended by Mr. D.M. Shah, Chairman of the Audit Committee.



7. RISK MANAGEMENT :

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

8. STAKEHOLDERS RELATIONSHIP COMMITTEE :

The Stakeholder Relationship Committee consists of the following Directors :-

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

Terms of Reference

- * Review the existing Investors 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.

The attendance record of each member of the Stakeholder Relationship Committee at the Meeting held on 16th April, 2015 is as follows :

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

Statement of the various complaints received and cleared by the Company during the period ended 31st March, 2016 :

Sr. No.	Nature of Request	Received (Nos.)	Cleared (Nos.)	Pending
1	Non Receipt of share certificate (s) - Transfer	1	1	0
2	Non Receipt of Dividend / Interest / Redemption Warrant	1	1	0
3	Non Receipt of Annual Report	2	2	0
	Total	4	4	0

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

All share transfer and correspondence thereon are handled by the Company's Registrars and Share Transfer Agents viz. Link Intime Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup, Mumbai 400 078.



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

9. NOMINATION & REMUNERATION COMMITTEE :

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

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

PERFORMANCE EVALUATION

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

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

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

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

REMUNERATION POLICY

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

This policy ensures that -

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.



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

The Nomination & Remuneration Committee consists of the following Directors.

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

Attendance record of the Members

The attendance record of each member of the Nomination & Remuneration Committee at the Meeting held on 16th April, 2015 & 10th February, 2016 are as follows :

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

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

Details of remuneration of the Directors during FY 2015-16 :

Name of the Director	Salaries, Allowances, Perquisites, performance allowance, contribution to P.F etc.	Sitting fees	Commission Payable	Total
Mr. Asit D. Javeri *	52,19,494	-	-	52,19,494
Smt. Seema A. Javeri	13,50,000	-	-	13,50,000
Mr. Arvind R. Doshi	-	33,000	-	33,000
Mr. Priyam S. Jhaveri	-	41,000	-	41,000
Mr. D.M. Shah	-	41,000	-	41,000
Mr. Abhishek A. Javeri	-	20,000	-	20,000
Mr. Pradeep N. Desai	-	10,000	-	10,000
Total	65,69,494	1,45,000	-	67,14,494

* Whole time director is not eligible for sitting fees.

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



10. GENERAL BODY MEETING :

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

AGM for the financial year ended	Venue	Date	Time	No. of Special Resolutions passed
2012-13	SASMIRA AUDITORIUM, The Synthetic & Art Silk Mills', Research Association, Research Association, 3 rd Floor, 3 rd Floor, SASMIRA Marg, Worli, Mumbai - 400030.	13.08.2012	3.00 p.m.	2
2013-14	SHETH HIRACHAND GUMANJI TRUST HALL Hira Baug, 1 st Floor, Kasturba Chowk (C.P. Tank) Mumbai - 400004	12.09.2014	3.00 p.m.	1*
2014-15	SHETH HIRACHAND GUMANJI TRUST HALL Hira Baug, 151 Floor, Kasturba Chowk (C.P. Tank) Mumbai - 400004	11.08.2015	3.00 p.m.	4**

* Increase in Borrowing powers of the Board of Directors

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

(B) Extra Ordinary General Meeting :

Nil

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

(a) Creation of charge on/mortgage of the assets of the Company and

(b) Sale of wholly owned Foreign Subsidiary Company.

11. SUBSIDIARIES :

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

12. DISCLOSURES :

(a) **Materially Significant related party transactions :** The particulars of transactions between the Company and its related parties as per the Accounting Standard -18 are set out at Note 31 in Notes to Accounts in the Annual Report. These transactions are not likely to have any conflict with Company's interest.

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



(c) Strictures and Penalties :

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

(d) Risk Management Framework :

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

(e) Whistle Blower Policy :

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

13. MEANS OF COMMUNICATION :

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

14. GENERAL SHAREHOLDER INFORMATION :

The current financial year of the Company is 31st March, 2016

AGM : Date, time and venue	43 rd Annual General Meeting on Friday, the 12 th August, 2016 at 3.00 P.M. at SHETH HIRACHAND GUMANJI TRUST HALL, HIRA BAUG, 1 st Floor, Kasturba Chowk (C.P. Tank), Mumbai - 400004.
Date of Book Closure	1 st August to 12 th August (both days inclusive) in connection with Annual General Meeting.
Dividend payment date	NIL for financial year 2015 -16.
Financial Calendar (Tentative) Results for quarter ending June 30, 2015 September 30, 2016 December 31, 2016 March 31, 2017 Annual General Meeting Listing of Company's shares	2nd week of August 2016 2nd week of November 2016 2nd week of February 2017 4th week of May 2017 August, 2017 The Company's shares are listed on Bombay Stock Exchange Ltd. (BSE)
Scrip Code	506642
ISIN Number	INE888C01016



15. HIGH/LOW OF MARKET PRICE OF THE COMPANY'S SHARES TRADED ON THE STOCK EXCHANGE UPTO 31ST MARCH, 2016 :

Month	High	Low	Close	No. of Shares Traded	Total Turnover
April 2015	19.88	11.70	18.60	112547	20,36,704
May	19.50	15.30	16.40	56972	9,64,894
June	16.75	13.70	16.75	56404	8,59,669
July	34.55	13.80	32.75	380325	1,13,01,767
August	36.40	17.80	20.50	160506	44,94,816
September	22.80	18.05	19.35	32333	6,50,899
October	25.70	19.45	22.50	41158	9,03,268
November	28.00	19.10	23.50	18575	4,13,000
December	33.40	17.25	29.70	131967	35,37,921
January 2016	30.95	21.60	23.75	30284	8,23,429
February	25.90	15.60	18.90	36411	7,17,024
March	20.40	15.10	17.25	75926	12,94,571

(Source : BSE website)

16. INVESTOR SERVICES :

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

LI IPL having registered office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup, Mumbai - 400078 are Registrars and Share Transfer Agents for Physical Shares. LI IPL is also the Depository interface of the Company with both NSDL & CDSL. Their Telephone No. 022-25963838 E-mail address: rnt.helpdesk@linkintime.co.in, Fax No. 022-25946969.

17. SHARE TRANSFER SYSTEM :

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

18. DEMATERIALISATION OF SHARES :

The Company's shares are tradable compulsorily in electronic form. The Company has established through its Registrar and Share Transfer Agents, connectivity with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March, 2015, 96.71% of the equity shares have been dematerialised.



19. SHARE HOLDING PATTERN AS ON 31st MARCH, 2016 :

	No. of Shares	Percentage
Promoters	6525182	70.92
Other Directors and their Relatives	55468	0.60
Mutual Funds and UTI	560	0.01
Banks, Financial Institutions & Insurance Companies	621	0.01
Bodies Corporate	175354	1.90
Indian Public	2407958	26.17
NRIs/Foreign Nationals	35687	0.39
Total	9200830	100.00

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

20. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2016 :

No. of shares	Folio		Amounts	
	Number	% to total	₹	% to total
1 - 5000	3771	84.5516	45,76,190	4.9737
5001 - 10000	335	7.5112	25,42,190	2.7630
10001 - 20000	182	4.0807	26,46,970	2.8769
20001 - 30000	53	1.1883	13,19,340	1.4339
30001 - 40000	15	0.3363	5,23,770	0.5693
40001 - 50000	27	0.6054	12,60,020	1.3695
50001 - 100000	31	0.6951	24,19,200	2.6293
100001 and above	46	1.0314	7,67,20,620	83.3845
Total	4460	100.0000	9,20,08,300	100.0000

21. UNCLAIMED DIVIDEND :

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

22. PLANT LOCATION :

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



23. ADDRESS FOR CORRESPONDENCE :

Sadhana Nitro Chem Limited Regd. Office : Hira Baug, 1 st Floor, Kasturba Chowk (C.P Tank), Mumbai - 400 004. Tel : 022-23822524 Fax : (91)22-23887235 E-mail : sadhananitro@sncl.com Website : www.sncl.com	Link Intime India Pvt. Ltd. (RTA) (Formerly known as Intime Spectrum Registry Ltd), C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup, Mumbai-400 078 Tel : 022-25963838 Fax : 022-25946969 E-mail : mt.helpdesk@linkintime.co.in
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24. CEO/CFO CERTIFICATION :

The Company is duly placing a certificate to the Board from the Chairman & Managing Director and CFO in accordance with the provisions of Clause 49 (ix) of the Listing Agreement. The aforesaid certificate duly signed by the Chairman & Managing Director and CFO in respect of the financial period ended 31st March, 2016 has been placed before the Board in the meeting held on 27th May, 2016.

25. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL :

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

26. CODE OF CONDUCT AND CERTIFICATE ON COMPLIANCE THEREOF :

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

I hereby confirm that the Company has obtained from all the Members of the Board and the Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the Financial Year 2015-16.

Place : Mumbai
Date : 27th May, 2016.

A. D. Javeri
Chairman & Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE



To the Members, Sadhana Nitro Chem Limited

We have examined the compliance of conditions of Corporate Governance by Sadhana Nitro Chem Limited, for the year ended on 31st March 2016, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement. We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Place : Mumbai
Dated : 27th May, 2016

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

The Board of Directors,
Sadhana Nitro Chem Limited

- A. I have reviewed the financial statements and the cash flow statement of Sadhana Nitro Chem Limited for the year ended 31st March, 2016 and to the best of our knowledge and belief :
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectifying these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee :
- i. significant changes in internal control over financial reporting during the year ;
 - ii. significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Mumbai
Date : 27th May, 2016

Abhishek A. Javeri
Director & Chief Financial Officer

Asit D. Javeri
Chairman & Managing Director

FIVE YEAR HIGHLIGHTS


(₹ in Lakhs)

	2015-2016	2014-2015	2013-14	2012-13	2011-12
RESOURCES					
Capital	1880.08	1880.08	1095.08	1095.08	920.08
Reserve	(1156.73)	(672.31)	(1069.30)	(990.47)	(727.88)
Net Worth	723.35	1207.77	25.78	104.61	192.20
State Govt. Sales Tax Incentives	12.48	14.90	14.90	14.90	20.90
Other Borrowings	3365.94	2708.54	2767.71	4768.23	4795.03
TOTAL	4101.77	3931.21	2808.39	4887.74	5008.13
UTILISATION OF RESOURCES					
Fixed Assets	10921.87	10908.81	10115.31	10262.29	10247.92
Less : Depreciation	7111.02	6910.63	6691.48	6623.58	6289.35
Net Fixed Assets	3810.85	3998.18	3423.83	3638.71	3958.57
Investments	7.71	8.80	15.72	15.72	41.22
Net Current Assets	283.21	(75.77)	(631.16)	1233.31	1008.34
TOTAL	4101.77	3931.21	2808.39	4887.74	5008.13
REVENUE FROM OPERATIONS					
Sales of Products	3450.05	4779.86	3202.23	6679.67	6540.43
Other operative revenue	57.60	25.17	64.05	161.25	148.71
Other income	16.21	35.76	99.72	85.08	17.75
TOTAL REVENUE	3523.86	4840.79	3366.00	6926.00	6706.89
EXPENDITURE					
Cost of Materials consumed / Purchase of Stock in Trade	1902.10	3232.90	2126.08	4262.67	3740.76
Changes in inventories of finished goods, work in progress and stock in trade	(48.94)	151.70	34.64	(247.44)	7.13
Employee Benefit cost	568.13	544.17	381.31	635.91	451.02
Financial cost	507.17	462.66	617.27	1017.52	663.94
Depreciation	200.38	206.83	207.19	367.40	315.63
Other expenses	879.44	1231.06	916.65	1655.34	1646.89
TOTAL EXPENDITURE	4008.28	5829.32	4283.14	7691.40	6825.37
Profit/loss before Tax & Exceptional Items	(484.42)	(988.53)	(917.14)	(765.40)	(118.48)
Add : Profit on Sale of Assets / Investment / Exceptional Items	0.00	1305.16	1067.32	810.57	0.00
Less : Tax Expenses	0.00	(102.29)	206.35	224.23	(226.92)
Profit/(Loss) After Tax	(484.42)	418.92	(56.17)	(179.06)	108.44

AUDITOR'S REPORT



Independent Auditor's Report

To the Members of Sadhana Nitro Chem Limited.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Sadhana Nitro Chem Limited ("the Company"), which comprises the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.



Emphasis of Matter

We draw attention to Note No. 30 in financial statements regarding going concern. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in Annexure 1, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in Annexure 1, as required by Section 143(3) of the Act, we report that :
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure 2', and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company does not have any pending litigation which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Place : Mumbai
Dated : 27th May, 2016

ANNEXURE TO THE AUDITOR'S REPORT



ANNEXURE 1

TO THE INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SADHANA NITRO CHEM LIMITED ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016.

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

- I. a. The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a policy of physically verifying its fixed assets in a phased manner to cover all the assets of the Company in a block of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its business.
- c. The title deeds of the immovable properties are held in the name of the company.
- II. a. The inventory has been physically verified by the Management at reasonable intervals during the year.
- b. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and nature of its business. No material discrepancies were noticed on such physical verification.
- c. The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- III. The Company has not granted any loans secured or unsecured during the period to the parties covered in the Register maintained under section 189 of the Companies Act, 2013.
- IV. The Company has not granted any loans, investments, or any guarantees or securities accordingly provision of Section 185 and 186 does not apply.
- V. The Company has not accepted any deposits from public. Accordingly, this clause is not applicable.
- VI. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Act.
- VII. a. The company is generally irregular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount in respect of the aforesaid statutory dues were in arrears, as at 31st March 2016, for a period of more than six months from the date they become payable except in the following cases :-

Name of the Statute	Nature of Dues	Amount ₹	Period to which it relates
Income Tax Act, 1961	Tax Deducted at Source	24,07,383	April to September 2015
Provident Fund Act, 1952	P. F. Contribution	26,61,814	April to September 2015
Service Tax	Reverse Mechanism	12,82,097	April to September 2015
Total		63,51,294	

- b. According to the information and explanations given to us based on the records of the company examined by us, there are no dues of Income Tax, Sales tax, Service Tax, Customs duty, Wealth Tax, Excise Duty, Excise Duty and Cess which have not been deposited on account of a dispute.



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

ANNEXURE 2

TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SADHANA NITRO CHEM LIMITED ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016.

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

We have audited the internal financial controls over financial reporting of Sadhana Nitro Chem Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place : Mumbai
Dated : 27th May, 2016

BALANCE SHEET AS ON 31ST MARCH, 2016



	Note	31.03.2016 ₹	31.03.2015 ₹
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	18,80,08,300	18,80,08,300
Reserves and Surplus	3	(11,56,73,272)	(6,72,31,032)
Non-Current Liabilities			
Long-term borrowings	4	2,35,879	12,12,473
Deferred Tax Liabilities (Net)	5	-	-
Long term provisions	6	1,71,21,197	1,75,83,244
Current Liabilities			
Short-term borrowings	7	33,76,06,573	26,95,02,258
Trade payables			
a) Micro Medium & small Enterprises		-	-
b) Others Payable	8	20,33,82,389	20,50,68,042
Other current liabilities	9	4,47,55,216	3,95,08,685
Short-term provisions	10	63,39,671	33,81,606
TOTAL		<u>68,17,75,953</u>	<u>65,70,33,576</u>
ASSETS			
Non-current assets			
<i>Fixed assets</i>			
Tangible assets	11	29,40,91,790	31,28,23,674
Capital work-in-progress		8,69,93,828	8,69,93,828
Non-current investments	12	7,71,550	8,79,969
Long term loans and advances	13	1,28,68,931	1,33,26,330
Current assets			
Inventories	14	8,98,01,794	9,27,30,046
Trade receivables	15	12,97,83,912	7,60,29,256
Cash and Bank balances	16	88,41,130	39,77,219
Short-term loans and advances	17	5,81,89,886	6,98,98,636
Other current assets	18	4,33,134	3,74,618
TOTAL		<u>68,17,75,953</u>	<u>65,70,33,576</u>
Significant Accounting Policies	1		
Other notes forming part of financial statement	27 to 32		

As per our Report of even date

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

ARVIND MOHAN
Partner
Membership No. 124082

Place : Mumbai
Dated : 27th May, 2016

For and on Behalf of the Board of Directors

A. D. JAVERI
Chairman &
Managing Director

A. A. JAVERI
Director &
Chief Financial Officer

N. R. JANI
Company Secretary

A. R. DOSHI
Director

Smt. S. A. JAVERI
Executive Director
- Administration

D. M. SHAH
Director

Place : Mumbai
Dated : 27th May, 2016

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD YEAR ENDED 31st MARCH, 2016



	Note	31.03.2016 ₹	31.03.2015 ₹
INCOME			
Revenue from operations	19	35,07,64,273	48,05,03,452
Other Income	20	16,21,748	40,40,389
Total Revenue		35,23,86,020	48,45,43,841
EXPENSES			
Cost of materials consumed	21	19,02,09,817	32,50,21,486
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	(48,93,770)	1,51,70,111
Employee benefit expense	23	5,68,12,856	5,44,16,841
Financial costs	24	5,07,17,100	4,94,64,347
Depreciation and amortization expense		2,00,38,460	2,06,82,917
Other expenses	25	8,79,43,797	11,86,41,894
Total Expenses		40,08,28,260	58,33,97,595
Profit before tax Exceptional items and taxes		(4,84,42,240)	(9,88,53,754)
Exceptional items			
Balance Written back		-	13,05,16,563
Profit Before Tax /(Loss) Before Tax		(4,84,42,240)	3,16,62,809
Short Provision for earlier years		-	(6,148,862)
Deferred Tax		-	1,63,77,997
Profit/(Loss) for the period		(4,84,42,240)	4,18,91,944
Basic/Diluted Earning per equity share of face value of ₹10 each (fully paid)	26	(5.26)	4.55
Significant Accounting policies	1		
Other Note Forming part of financial statement 27 To 32			

As per our Report of even date

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

ARVIND MOHAN
Partner
Membership No. 124082

Place : Mumbai
Dated : 27th May, 2016

For and on Behalf of the Board of Directors

A. D. JAVERI
Chairman &
Managing Director

A. A. JAVERI
Director &
Chif Financial Officer

N. R. JANI
Company Secretary

A. R. DOSHI
Director

Smt. S. A. JAVERI
Executive Director
- Administration

D. M. SHAH
Director

Place : Mumbai
Dated : 27th May, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016


Particulars	31.03.2016 ₹	31.03.2015 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES :-		
NET PROFIT/ Loss (-) BEFORE TAX	(4,84,42,240)	3,16,62,809
Add : a. Depreciation	2,00,38,460	2,06,82,917
b. Interest	5,07,17,100	4,94,64,347
c. Loss on Sale of Investments	-	4,55,519
d. Diminution In the value of investment	1,08,420	-
Less : a. Profit on Sale of Investments	-	-
CASH OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	2,24,21,740	10,22,65,591
CHANGES IN WORKING CAPITAL		
a. Trade & other Receivables	(5,37,54,656)	(3,92,38,273)
b. Inventories	28,71,888	1,48,63,659
c. Loans & Advances	1,21,42,296	87,69,880
d. Trade Payables	(16,85,653)	6,72,94,948
e. Current liability	52,46,531	(9,78,46,295)
f. Provision	24,96,018	29,08,482
	(3,26,83,576)	(4,32,47,599)
CASH GENERATED FROM OPERATION	(1,02,61,836)	5,90,17,992
a. Direct Taxes (Paid)	(21,702)	-
NET CASH FLOW FROM OPERATING ACTIVITIES - (A)	(1,02,40,134)	5,90,17,992
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES :-		
a. Purchase of Fixed Assets (Net of Adjustment for Capital work-in-progress)	(13,06,576)	(8,50,272)
b. Acquisition / Sale of Investments (Net)	-	2,36,731
CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES - (B)	(13,06,576)	(6,13,541)
C. CASH FLOW FROM FINANCING ACTIVITIES :-		
a. Secured Borrowings - Net of Repayment	5,36,68,485	7,64,92,667
b. Unsecured Borrowings - Net of Repayment	(17,45,323)	(8,39,84,547)
c. Interest Paid	(3,55,12,541)	(4,94,64,347)
CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES - (C)	1,64,10,621	(5,69,56,227)
NET CHANGE IN CASH / CASH EQUIVALENTS (A+B+C)	48,63,912	14,48,225
ADD: CASH/CASH EQUIVALENTS AT END BEGINNING	39,77,218	25,28,993
CASH/CASH EQUIVALENTS AT END OF THE YEAR	88,41,130	39,77,218

Notes :

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

As per our Report of even date
For V. SANKAR AIYAR & CO.

Chartered Accountants
Firm Regn.No. 109208W

ARVIND MOHAN

Partner
Membership No. 124082

For and on Behalf of the Board of Directors
A. D. JAVERI

Chairman &
Managing Director

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Director

Smt. S. A. JAVERI

Executive Director
- Administration

D. M. SHAH

Director

Place : Mumbai
Dated : 27th May, 2016

Place : Mumbai
Dated : 27th May, 2016

**NOTE - 1****SIGNIFICANT ACCOUNTING POLICIES :-****a) Basis of preparation of Financial Statements**

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

b) Use of Estimates

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

c) Revenue Recognition

Sales of Products are recognized when significant risks and rewards of ownership of products are passed on to customers. Sales are stated at realizable values and are recorded net of excise duty, sales tax and returns.

Dividend Income is recognized when the right to receive dividend is established.

Interest income is recognized on the time proportion method.

d) Fixed Assets

(i) Fixed assets are stated at their original cost including interest, borrowing cost and other expenses directly related to qualifying assets during construction period.

(ii) Cost of fixed assets not ready for their intended use before such date is disclosed under Capital Work in Progress.

(iii) All costs relating to up gradations/ enhancements are generally charged off as revenue expenditure unless they bring significant additional benefits of lasting nature.

(iv) CENVAT Credits on capital goods are recognized in the books when the company becomes eligible to claim the same and are reduced from the cost of respective asset. Depreciation on these assets are calculated on the net amount.

e) Depreciation

(i) Assets individually costing ₹ 5,000/- or less are depreciated fully in the year of purchase.

(ii) Depreciation on Leasehold land is over the primary period of lease.

(iii) Plant and Equipment acquired before 1st April 2006, building including non-factory building, furniture, fixture and vehicle are depreciated under WDV method at rates prescribed in Schedule II of Companies Act, 2013.

(iv) Plant and Equipment acquired after 1st April 2006 and computer are depreciated in accordance with Schedule II of Companies Act, 2013.

(v) Depreciation on Effluent Treatment Plant has been provided @ 100%.

f) Borrowing Cost

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

g) Impairment

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



h) Investments

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

i) Valuation of Inventories

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

j) Foreign Currency Transaction

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

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

k) Retirement Benefits

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

l) Research and Development cost

- (i) Revenue expenses on Research and Development are written off to the Statement of Profit and Loss.
- (ii) Capital expenditure on Research and Development is shown as addition to fixed assets.

m) Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the financial year.

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

n) Provisions

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

o) Insurance Claims

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



NOTE - 1... Cont.

p) Earnings Per Share (EPS)

Basic EPS

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

Diluted EPS

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

NOTE - 2

	31.03.2016 ₹	31.03.2015 ₹
SHARE HOLDERS FUND		
SHARE CAPITAL :		
Authorised Capital :		
9250000 (P.Y. 9250000) Equity Shares of ₹ 10/- each	9,25,00,000	9,25,00,000
11750000 (P.Y. 11750000) 9% Cumulative Non Convertible Preference Shares of ₹ 10/- each	11,75,00,000	11,75,00,000
TOTAL	21,00,00,000	21,00,00,000
Issued, Subscribed and Paid-up Capital :		
9200830 (P.Y. 9200830) Equity Shares of ₹ 10/- each fully paid	9,20,08,300	9,20,08,300
9600000 9% (P.Y. 9600000) Non Convertible Cumulative Redeemable Preference share of ₹ 10/- Each Fully paid up Preference Shares)	9,60,00,000	9,60,00,000
TOTAL	18,80,08,300	18,80,08,300

Shares held by Holding Company

Manekchand Panachand Trading Investment Co. Pvt. Ltd. - Equity Share
9% Cumulative Non Convertible Preference Shares of ₹ 10/- each

31.03.2016		31.03.2015	
No. of Shares	% of Holding	No. of Shares	% of Holding
5960611	64.78	5960611	64.78
9600000	100.00	9600000	100.00

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

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

Particulars	31.03.2016				31.03.2015			
	Equity Shares		Preference Shares		Equity Shares		Preference Shares	
	Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount
Opening	9200830	9,20,08,300	9600000	9,60,00,000	9200830	9,20,08,300	1750000	1,75,00,000
Add. Issued during the year	-	-	-	-	-	-	7850000	7,85,00,000
Closing	9200830	9,20,08,300	9600000	9,60,00,000	9200830	9,20,08,300	9600000	9,60,00,000

Rights, preferences and restrictions attached each class of shares.

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

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



NOTE - 3	31.03.2016	31.03.2015
	<u>₹</u>	<u>₹</u>
Reserves & Surplus :		
Capital Reserve	93,681	93,681
Capital Redumption Reserve	5,00,000	5,00,000
Securities Premium	54,96,740	54,96,740
General Reserve	13,33,29,906	13,33,29,906
Surplus/(Deficit) in statement of profit & loss		
Opening Balance	(20,66,51,359)	(24,63,50,203)
Less Opening impact of depreciation as new Co Act 2013	-	(21,93,101)
Profit/(Loss) for the year	(4,84,42,240)	4,18,91,945
Closing Balance	(25,50,93,599)	(20,66,51,359)
TOTAL	<u><u>(11,56,73,272)</u></u>	<u><u>(6,72,31,032)</u></u>

NON-CURRENT LIABILITIES :

NOTE - 4

Long Term Borrowings :

1) Secured Term Loan From Bank :

a) Vehicle Loan (Secured Hypothication of vehicle) (Refer Note 4(1)) - 5,58,528

2) Unsecured :

i) **Deferred sales tax Loan** (Refer note 4 (2)) 2,35,879 6,53,945

TOTAL 2,35,879 12,12,473

Note 4 (1)

The loan of ₹ 35.00 Lakhs from ICICI Bank having interest of 10.91% is repayable in 60 monthly installment of ₹ 0.75 lakhs from January 2012 to October 2016.

Note 4 (2)

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

NOTE - 5

Deferred tax Liabilities (Net) :

Depreciation and Amortisation	2,22,11,018	2,27,58,998
Unabsorbed Depreciation under income Tax Act.	(1,49,61,610)	(1,62,80,860)
Expenditure allowed under (Income Tax Act on Payment basis)	(72,49,408)	(64,78,138)
TOTAL	<u><u>-</u></u>	<u><u>-</u></u>

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

NOTE - 6

Long Term Provisions :

Provision for employee Benefits-(Leave Encashment & Gratuity) (Refer Note 23)	1,71,21,197	1,75,83,244
TOTAL	<u><u>1,71,21,197</u></u>	<u><u>1,75,83,244</u></u>



NOTE - 7	31.03.2016	31.03.2015
	<u>₹</u>	<u>₹</u>
Short-term borrowings :		
Secured :		
Working Capital From bank	19,56,84,097	14,14,57,084
[The facilities are secured by way of first pari passu charge on Current Assets, second pari passu charge on Company's entire fixed assets and further secured by personal guarantee of Chairman & Managing Director.]		
Unsecured :		
Inter Corporate Deposit		
Others	<u>14,19,22,476</u>	<u>12,80,45,174</u>
TOTAL	<u>33,76,06,573</u>	<u>26,95,02,258</u>
NOTE - 8		
Trade Payables :		
Trade payables :		
Others	<u>20,33,82,389</u>	<u>20,50,68,042</u>
TOTAL	<u>20,33,82,389</u>	<u>20,50,68,042</u>
(a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to Any supplier as at the end of accounting year ;	-	-
(b) The amount of interest paid by the buyer under MSMED Act,2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act 2006-Not paid	-	-
(d) The amount of interest accrued and remaining unpaid at the end of accounting year ; and	-	-
(e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
NOTE - 9		
Other current liabilities :		
Current maturities of long term debts-Secured & Unsecured Loan Refer Note No. 4(1), 4(2)	15,70,796	16,30,514
Redeemed Preference share & Excess right issue (Unclaimed)	21,000	21,000
Unclaimed Bonus & salary	45,547	45,547
Unclaimed dividend	-	76,553
Statutory Dues	2,05,90,269	2,08,96,444
Employee Dues	1,64,74,555	87,30,472
Advance From Customer	-	2,82,872
Book Overdraft	7,30,809	13,70,279
Others (outstanding Expenses)	53,22,240	64,55,005
TOTAL	<u>4,47,55,216</u>	<u>3,95,08,685</u>



NOTE - 10

Short-term provisions :

Provision for employee Benefits-(Leave Encashment & Gratuity)
(Refer Note 23)

	31.03.2016 ₹	31.03.2015 ₹
	63,39,671	33,81,606
TOTAL	63,39,671	33,81,606

NOTE - 11

FIXED ASSETS

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As on 01.04.2015 ₹	Addi- tions 2015-16 ₹	Adjust- ments ₹	Total as at 31.03.16 ₹	As on 01.04.2015 ₹	For the year ₹	Adjust- ments ₹	Total Upto 31.03.16 ₹	As on 31.03.16 ₹	As on 31.03.15 ₹
Tangible Assets :										
Land : Leasehold	76,400	-	-	76,400	33,375	804	-	34,179	42,221	43,025
Freehold	7,66,94,573	-	-	7,66,94,573	-	-	-	-	7,66,94,573	7,66,94,573
Factory Buildings	10,06,19,039	-	500	10,06,18,539	7,52,18,331	26,61,046	-	7,78,79,377	2,27,39,162	2,54,00,708
Non Factory building	43,00,000	-	-	43,00,000	4,712	4,08,052	-	4,12,764	38,87,236	42,95,288
Plant & Equipments including other Equipments	78,45,58,942	12,98,276	-	78,58,57,218	58,09,08,972	1,64,08,742	-	59,73,17,714	18,85,39,504	20,36,49,970
Furnitures & Fixtures	70,02,591	-	-	70,02,591	65,42,746	30,466	-	65,73,212	4,29,379	4,59,845
Computer	1,19,39,642	8,800	-	1,19,48,442	1,15,54,039	27,771	-	1,15,81,810	3,66,632	3,85,603
Vehicles	1,86,95,800	-	-	1,86,95,800	1,68,01,138	5,01,579	-	1,73,02,717	13,93,083	18,94,662
GRAND TOTAL	1,00,38,86,987	13,07,076	500	1,00,51,93,563	69,10,63,313	2,00,38,460	-	71,11,01,773	29,40,91,790	31,28,23,674
PREVIOUS PERIOD	92,45,36,717	8,04,00,271	10,50,000	1,00,38,86,988	66,91,48,025	2,06,82,917	31,53,831	69,10,63,313	31,28,23,674	25,53,88,692

Plant & Equipment include lab equipment having WDV ₹ 5,19,886 (P.Y. ₹ 10,13,919/-) R & D Equipment having WDV ₹ 6,57,623 (P.Y. ₹ 7,36,150/-)

Addition in Plant & Machinery includes foreign exchange fluctuation on long term foreign currency liability ₹ Nil (P.Y. ₹ NIL)

NOTE - 12

NON-CURRENT INVESTMENTS :

Trade Investment

Unquoted :

Investment in equity instruments of Subsidiaries

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

	31.03.2016 ₹	31.03.2015 ₹
	7,71,550	7,71,550
Total A	7,71,550	7,71,550

Other Investments

Quoted :

500 (P.Y. 500) Anco Communication Ltd	71,788	71,788
3900 (P.Y. 3900) Enarai Finance Ltd	78,000	78,000
18000 (P.Y. 18000) Indian Extractions Ltd	5,08,194	5,08,194
5000 (P.Y. 5000) Indo-Biotech Ltd	1,91,250	1,91,250
2000 (P.Y. 2000) First Object Technoliges Ltd	81,400	81,400
1300 (P.Y. 1300) Mexworth Orchards Ltd	13,000	13,000
5000 (P.Y. 5000) Ojas Technochem Products Ltd	1,31,495	1,31,495
	10,75,127	10,75,127

Less Aggregate provision for diminution in value of investment

	10,75,127	9,66,707
Total B	-	1,08,420
Total (A+B)	7,71,550	8,79,969

[Aggregate value of quoted investment ₹ 10,75,127 (P.Y. ₹ 10,75,127) and market value of ₹ Nil (P.Y. ₹ 71,788)

[Aggregate Amount of unquoted investment ₹ 7,71,550 (P.Y. ₹ 7,71,550)]



NOTE - 13	31.03.2016	31.03.2015
	₹	₹
LONG TERM LOANS AND ADVANCES : (Unsecured Considered Good)		
Capital advance	10,39,735	16,28,289
Other Loan & advances		
Security Deposits	61,12,539	63,13,737
Advance income tax (Net of Provision)	54,06,007	53,84,304
Loan to Staff	3,10,650	-
TOTAL	<u>1,28,68,931</u>	<u>1,33,26,330</u>

NOTE - 14

Inventory : (Valued at Lower Cost & Net Realizable Value)		
Raw Material (Include stock in transit ₹ Nil (P.Y. ₹ 6,65,600))	1,04,90,393	1,40,18,430
Work in Progress	3,94,84,165	3,22,64,448
Finished goods	69,17,383	92,93,330
Stores & Spares	3,08,18,186	3,10,61,970
Others (Fuel, Packing material)	20,91,667	60,91,868
TOTAL	<u>8,98,01,794</u>	<u>9,27,30,046</u>

NOTE - 15

Trade Receivable :		
(Unsecured Considered Good)		
Overdue More than Six Months	4,72,654	4,72,654
Other	12,93,11,258	7,55,56,602
TOTAL	<u>12,97,83,912</u>	<u>7,60,29,256</u>

NOTE - 16

CASH AND BANK BALANCE :		
Cash and cash equivalent		
Cash in hand	4,37,273	5,05,226
Balance with banks	14,61,631	2,67,968
*Other Bank Balance Margin money (Lien with Banks) with original Maturity < 12 Months	69,42,226	32,04,026
TOTAL	<u>88,41,130</u>	<u>39,77,219</u>

NOTE - 17

Short Term Loans & Advances :		
(Unsecured Considered Good)		
Loan to Staff	2,24,346	1,80,200
Advance to Vendors	27,09,733	60,01,590
Balance With Statutory/ Revenue Authorities	4,74,23,866	5,70,43,178
Other *	78,31,941	66,73,668
TOTAL	<u>5,81,89,886</u>	<u>6,98,98,636</u>

(*Includes Prepaid Expenses)



NOTE - 18	31.03.2016	31.03.2015
	₹	₹
Other Current Assets :		
Interest Accrued	4,33,134	3,74,619
TOTAL	4,33,134	3,74,619

NOTE - 19

REVENUE FROM OPERATIONS :

Sales of product	35,54,98,224	50,19,05,212
Less : Excise duty	1,04,93,518	2,39,19,084
TOTAL	34,50,04,706	47,79,86,128

Other Operating Revenue :

Export Benefit	51,51,527	4,61,621
Other (Waste Material)	6,08,040	20,55,703
	57,59,567	25,17,324
TOTAL	35,07,64,273	48,05,03,452

Detail of Sales

Sales of Organic intermediates	13,96,85,786	13,28,16,711
Sales of Chemical intermediates	20,59,26,960	34,72,25,120
Earning in Foreign Currency (FOB)	22,47,95,047	26,36,61,681

NOTE - 20

OTHER INCOME :

Interest Income TDS 21702 (P.Y. ₹ 23,851)	4,42,430	27,06,215
Balances Written back	-	5,99,730
Other Miscellaneous income	6,55,367	7,34,444
Net Gain On Foreign Exchange Transaction & Translation	5,23,951	-
TOTAL	16,21,748	40,40,389

NOTE - 21

EXPENSES:

Cost of Material Consumed

Inventory at the beginning of the Period	1,44,07,452	1,51,55,177
Add : purchase	18,70,50,546	32,42,73,761
Less : Inventory at the end of the Period	1,12,48,181	1,44,07,452
TOTAL	19,02,09,817	32,50,21,486

Value of Raw Material Consumed

Imported	2.44%	46,34,888	5.05%	1,63,12,486
Indigenous	97.56%	18,55,74,929	94.95%	30,69,78,224



NOTE - 21... Cont.	31.03.2016	31.03.2015
	₹	₹
Raw Material Consumed		
Benzene	4,63,08,546	13,06,79,473
Nitric acid	2,61,87,442	3,71,11,390
Cast iron powder	2,28,87,972	2,58,18,782
Oleum 65%	80,09,519	91,11,266
Caustic Potash Flakes	1,05,11,233	2,87,82,700
Packaging Material	15,17,629	17,30,776
Other	7,47,87,476	9,17,87,099
TOTAL	<u>19,02,09,817</u>	<u>32,50,21,486</u>

NOTE - 22

Changes in inventories of finished goods, work-in-progress and stock in trade

Opening Finished Goods	92,93,330	1,53,99,025
Less : Closing finished good	69,17,383	92,93,330
	<u>23,75,947</u>	<u>61,05,695</u>
Opening work in progress	3,22,64,448	4,13,68,864
Less : Closing work in progress	3,94,84,165	3,22,64,448
	<u>(72,19,717)</u>	<u>91,04,416</u>
Other Opening Stock	50,000	45,000
Less : Other Closing Stock	75,000	50,000
	<u>(25,000)</u>	<u>(5,000)</u>
Scrap Opening Stock	1,50,000	1,15,000
Less : Scrap Closing Stock	1,75,000	1,50,000
	<u>(25,000)</u>	<u>(35,000)</u>
TOTAL	<u>(48,93,770)</u>	<u>1,51,70,111</u>

NOTE - 23

Employee Benefit Expenses :

Salaries, wages and Bonus	4,44,85,003	4,55,39,170
Managerial Remuneration	65,69,494	6,82,752
Contribution to PF and other funds	26,80,923	26,96,947
Gratuity Expenses	18,36,547	38,09,876
Staff welfares	12,40,889	16,88,096
TOTAL	<u>5,68,12,856</u>	<u>5,44,16,841</u>

Employee Benefit

Defined Contribution Plan

Contribution to defined contribution plan, recognized as expenses for the year are as under

Employers Contribution to provident fund	23,63,612	11,76,712
Employers Contribution to pension scheme	23,63,558	11,62,555

Defined Benefit Plan

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



NOTE - 23... Cont.

	2015-16		2014-15	
	₹	₹	₹	₹
I) Reconciliation of opening and closing balance of defined Benefit obligation				
		Gratuity (Funded)	Leave Encashment (unfunded)	
		2014-15	2015-16	2014-15
		₹	₹	₹
Defined Benefit Obligation at beginning of the year	1,71,75,933	1,65,73,652	76,01,629	84,95,823
On Amalgamation	-	-	-	-
Current Service Cost	7,45,086	5,84,552	5,44,372	4,07,575
Interest Cost	13,65,487	15,46,322	6,04,330	7,92,660
Actuarial gain/loss	(76,596)	22,32,851	(4,03,010)	(20,13,743)
Benefit paid	(14,48,215)	(37,61,444)	(86,221)	(80,686)
Settlement cost	-	-	-	-
Defined Benefit Obligation at year end	1,77,61,695	1,71,75,933	82,61,100	76,01,629
II) Reconciliation of opening and closing balance of fair value of plan assets at beginning of the year				
fair value of plan assets at beginning of the year	38,12,712	70,13,107	-	-
On Amalgamation	-	-	-	-
Expected Return on Plan Assets	3,03,111	6,10,140	-	-
Actuarial (gain)/loss	(1,20,799)	(49,091)	-	-
Employer Contribution	15,118	-	-	-
Benefit Paid	(14,48,215)	(37,61,444)	-	-
Settlement cost	-	-	-	-
Fair Value of plan assets at year end	25,61,927	38,12,712	-	-
Actual return on plan assets	-	-	-	-
III) Reconciliation of fair value of assets and obligation				
Fair value of plan assets	25,61,927	38,12,712	-	-
Present value of obligation	1,77,61,695	1,71,75,933	82,61,100	76,01,629
Amount recognised in balance sheet	1,51,99,768	1,33,63,221	82,61,100	76,01,629
IV) Expenses recognized during the year (under head of "payment to and Provision for employee")				
Current Service Cost	7,45,086	5,84,552	5,44,372	4,07,575
Interest Cost	13,65,487	15,46,322	6,04,330	7,92,660
Expected return on Plan assets	(3,03,111)	(6,10,140)	-	-
Actuarial (gain)/loss	44,203	22,81,942	(4,03,010)	(20,13,743)
Net Cost	18,51,665	38,02,676	7,45,692	(8,13,508)
V) Actuarial assumption				
Discount Rate (P.A.)	7.95%	9.33%	7.95%	9.33%
Expected rate of return on plan assets (P.A.)	7.81%	9.33%	7.81%	8.70%
Rate of escalation in salary (P.A.)	4%	4%	4%	4%

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 certify by actuary.

The expected rate on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risk, historical results of return on plan assets and the company's policy for plan assets management.



NOTE - 24	31.03.2016	31.03.2015
	₹	₹
Financial Cost :		
Interest Expenses	2,83,30,922	2,43,04,118
Other borrowing cost	2,23,66,083	2,57,69,516
Net (Gain)/Loss foreign currency transaction & translation	20,096	(6,09,288)
TOTAL	<u>5,07,17,100</u>	<u>4,94,64,347</u>

NOTE - 25

Other Expenses :

Power and Fuels	4,46,86,484	5,76,97,661
Rent	5,09,920	4,30,200
Rate & Tax	46,83,255	49,31,494
Insurance	11,22,823	12,10,399
Printing & Stationery	7,85,279	9,77,062
Postage Telegram & Telephone	12,36,144	11,28,740
Travelling Expenses	19,14,510	35,91,442
Legal & Professional fees	36,44,372	46,46,414
Conveyance Expenses	17,16,128	20,36,853
Director Sitting Fees	1,65,000	2,69,000
Electricity Charges	2,26,229	83,742
Security Charges	19,42,461	19,20,678
Miscellaneous Expenses	21,90,342	38,22,071
Loss on sales of investment	-	4,55,519
Loss on Sale of Assets	-	9,270
Stores & Spares Consumed	49,02,387	91,34,825
Repairs Maintenance		
Machinery	4,20,470	6,56,669
Other	14,19,077	20,42,065
Other Manufacturing Expenses	32,06,915	42,16,907
Effluent Expenses	14,06,351	15,88,308
R&D Expenses	2,24,500	1,68,166
Payment to auditor		
Audit Fees	3,00,000	3,00,000
Tax Audit	65,000	65,000
Others Service	77,500	46,502
Freight and Forwarding Expenses	54,75,985	54,84,187
Commission charges	12,24,092	58,56,810
Local freight & other expenses	22,00,482	18,90,233
Net Loss on Foreign exchange Transaction & Translation	-	15,81,676
Provision Diminution in the value of investment	1,08,420	-
Balances Written off	20,89,670	-
Guarantee Commission	-	24,00,000
TOTAL	<u>8,79,43,797</u>	<u>11,86,41,894</u>



NOTE - 26

	31.03.2016 ₹	31.03.2015 ₹
Earning per share of Nominal value of ₹ 10-each computed in according with Accounting Standard (As-20) for the year		
a) Profit/(loss) after tax as per P&L Account	(4,84,42,240)	4,18,91,945
b) Opening number of equity shares outstanding	92,00,830	92,00,830
c) Closing number of equity shares outstanding	92,00,830	92,00,830
d) Basic/Diluted earning per share [(a)/(c)] (₹ 10/- per share)	(5.26)	4.55

NOTE - 27

Contingent Liabilities :

Capital & other commitments

(a) Estimated amount of contract remaining to be executed (net of payment)	-	-
(b) In respect of Guarantee given by the company's Banker for central excise and other purpose	-	-
(c) In respect of corporate guarantee given by the company to the bank for loans borrowed by Indian subsidiary	-	-
Preference Dividend on 9% cumulative Redeemable preference shares	1,03,11,781	16,71,781

NOTE - 28

SEGMENT REPORT :

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

NOTE - 29

RELATED PARTY DISCLOSURES :

Nature of Transaction	Holding Company ₹	Subsidiaries ₹	Associate Companies ₹	Key Management Personnel ₹	Total ₹
a) Sales of Goods	-	76252149	-	-	76252149
	-	(16232722)	-	-	(16232722)
b) Receiving Services	-	-	267867	-	267867
	-	-	(463675)	-	(463675)
c) Managerial Remuneration	-	-	-	6922720	6922720
	-	-	-	(4448950)	(4448950)
d) Director Sitting Fees	-	-	-	20000	20000
	-	-	-	(60000)	(60000)
e) Loan Accepted	9291000	-	-	-	9291000
	-	-	-	-	-
f) Loan Repayment	8652313	-	-	-	8,652,313
	-	-	-	-	-
g) Purchase of Assets	-	-	-	-	-
	(78500000)	-	-	-	(78500000)
h) Guarantee Commission	-	-	-	-	-
	-	-	-	(2400000)	(2400000)
Outstanding Balance as on 31st March, 2016	638687	29829663	531542	6474444	37474336



NOTE - 29... Cont.

- I) List of related parties
- | | | |
|---|---|--|
| i) Holding Company | - | M/s. Manekchand Panachand Trading Investment Co. Pvt. Ltd. |
| ii) Subsidiaries | - | M/s. Anuchem B.V.B.A Belgium |
| iii) Promoters Having Significant Influence | - | M/s. Lifestyle Networks Ltd. |
| | | M/s. I.B.I. Engineering & Services Pvt. Ltd. |
| | | M/s. Amnisera Corporation |
| | | M/s. Manekchand Panachand & Co. |
| | | M/s. Chandra Net Ltd. |
- II) Key Management Personal
- | | | |
|------------------------|---|---|
| i) Shri. A. D. Javeri | - | Chairman & Managing Director
Smt. Seema A. Javeri wife of Shri. A. D. Javeri
Smt. Molina D. Javeri mother of Shri. A. D. Javeri
Mr. Abhishek A. Javeri son of Shri. A. D. Javeri |
| ii) Abhishek A. Javeri | - | Director & CFO |
| iii) Shri. N. R. Jani | - | Company Secretary |

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

(1) Sale of Good to Anuchem BVBA, Belgium ₹ 7,62,52,149 (P.Y. ₹ 1,62,32,722) (2) Receiving Services to Amnisera Corporation (Associate Company) ₹ 4,63,375 (P.Y. ₹ 1,62,543) (4) Loan Accepted from Manekchand Panachand Trading & Investment Co. Pvt. Ltd. (Holding Company) ₹ 92,91,000 (P.Y. ₹ Nil) (5) Loan Repayment from Manekchand Panachand Trading & Investment Co. Pvt. Ltd. (Holding Company) ₹ 8 65 2313 (P.Y. ₹ Nil)

NOTE - 30

The order book position has improved during the financial year as compared to the past including long term supply agreements. This will improve the overall performance of the company in addition to absorbing accumulated losses. Hence although there are accumulated losses as on 31st March, 2016, considering the overall strategy, going concern would not be affected and accordingly financial statements have been prepared.

NOTE - 31

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

**NOTE - 32**

		31.03.2016	31.03.2015
		₹	₹
(A) VALUE OF IMPORTS CALCULATED ON CIF BASIS :			
Raw Material		57,29,725	91,38,870
	TOTAL	57,29,725	91,38,870
Value of store Consumed			
Import	0%	0%	
Indigenous	100%	49,02,387	91,34,825
(B) EXPENDITURE IN FOREIGN CURRENCY :			
(To the extent paid)			
Travelling Expenses		11,53,363	24,42,422
Commission		-	4,32,040
Interest and other charges on FC loan from banks		15,451	-
	TOTAL	11,68,814	28,74,462

As per our Report of even date**For V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Regn.No. 109208W**ARVIND MOHAN**
Partner
Membership No. 124082Place : Mumbai
Dated : 27th May, 2016**For and on Behalf of the Board of Directors****A. D. JAVERI**
Chairman &
Managing Director**A. A. JAVERI**
Director &
Chif Financial Officer**N. R. JANI**
Company Secretary**A. R. DOSHI**
Director**Smt. S. A. JAVERI**
Executive Director
- Administration**D. M. SHAH**
DirectorPlace : Mumbai
Dated : 27th May, 2016

Annual Report of the Subsidiary Company

ANUCHEM B. V. B. A.
BELGIUM

BOARD OF DIRECTORS

Mr. Asit D. Javeri
Mr. Nitin R. Jani
Mr. Ronny Verchaeren

AUDITORS

Mr. Luc Verreyken
Accountantskantoor,
Agiver BVBA
Bisschoppenhoflaan 588,
B-2100 Deume.

DIRECTOR'S REPORT

The Directors of Anuchem BVBA are pleased to submit herewith the annual report and Audited statement of accounts for the year ended 31st December, 2015.

REVIEW OF BUSINESS :

The principal activities of the company continued to be marketing of Chemicals. The Turnover during the year was EURO 778.913,43 (2014 - EURO 475.977,24). The Loss for the year was at EURO 11.748,98 (2014 Loss for the year - EURO 35.383,63)

The Directors opined that, Barring unforeseen circumstances the performance of Company is expected to improve in the current financial year.

DIVIDEND :

64 The directors have decided that there will be no dividend for the year 2015.

AUDITORS :

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

On Behalf of Board

A. D. Javeri
Director

Antwerpen,
28th April, 2016

AUDITOR'S REPORT

AGIVER BVBAACCOUNTANTSKANTOOR
BISSCHOPPENHOFLAAN 588
2100 DEURNE
REG. NO. 13320 2N 70

To the shareholders of Anuchem BVBA :

I have audited the balance sheet of Anuchem BVBA as at 31st December, 2015 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, 2015 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.

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

Antwerpen, 28th April, 2016

ANUCHEM B.V.B.A.

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

As at 31st December, 2015

	2015 (Currency : Euro)	2014 (Currency : Euro)
LIABILITIES		
1) Shareholder's Funds		
a) Share Capital Issued Capital	18.750,00	18.750,00
b) Reserves		
i) Legal reserve	1.875,00	1.875,00
ii) Profit and Loss Account	-2.815,82	8.933,16
	-940,82	10.808,16
2) Current Liabilities		
a) Trade Payables	180.849,65	94.488,50
b) Services	7.894,56	2.516,95
c) Vat Payable	0,00	0,00
d) Dividend Payable	1.875,00	1.875,00
	190.619,21	98.880,45
TOTAL LIABILITIES	208.428,39	128.438,61
ASSETS		
1) Non-current assets		
a) Fixed Assets		
Fixed Assets (gross)	1.830,97	1.830,97
Less : depreciation	(1.830,97)	(1.830,97)
	0,00	0,00
2) Current Assets		
a) Inventories	117.885,30	55.595,73
b) Receivables		
i) Trade receivables	73.163,91	63.338,84
ii) Other receivables	5.027,48	2.752,67
	78.191,39	66.091,51
3) Liquid resources		
	12.351,70	6.751,37
TOTAL OF ASSETS	208.428,39	128.438,61

AGIVER BVBA
Accountantskantoor
Reg. No. 13320 2N 70

A. D. Javeri
Director

Antwerpen, 28th April, 2016

ANUCHEM B.V.B.A.

ANNUAL STATEMENT OF ACCOUNTS OF ANUCHEM BVBA PROFIT AND LOSS ACCOUNT

As at 31st December, 2015

	2015 (Currency : Euro)	2014 (Currency : Euro)
INCOME		
Turnover	778.913,43	475.977,24
Interest received	0,00	569,93
Sundry Income	1.846,63	0,00
Increase / (decrease) in closing stock	62.289,57	21.089,99
Income / (loss) on exchange fluctuation	(5.692,67)	(1.055,78)
	837.356,96	496.581,38
EXPENSES :		
Purchases	774.333,50	456.231,52
Clearing and forwarding charges	65.027,44	67.181,36
Travelling and administrative expenses	6.442,15	6.827,02
Local taxes	440,50	439,50
Financial expenses	2.862,35	1.285,61
Depreciation/amount written off trade debtors	0,00	0,00
	849.105,94	531.965,01
PROFIT/(LOSS) BEFORE TAXATION :	(11.748,98)	(35.383,63)
Less : For the year	-	-
PROFIT/(LOSS) AFTER TAX	(11.748,98)	(35.383,63)
Add : Carried over profit of last year	8.933,16	44.316,79
Less : Payment for dividend	0,00	0,00
Profit to be carried over	-2.815,82	8.933,16

AGIVER BVBA
Accountantskantoor
Reg. No. 13320 2N 70

A. D. Javeri
Director

Antwerpen, 28th April, 2016

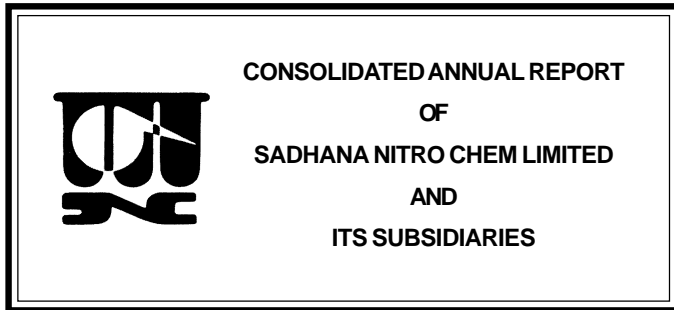
NOTES ON ANNUAL STATEMENT OF ACCOUNT OF ANUCHEM BVBA FOR 2015

<p>1) ACCOUNTING POLICIES The Principal accounting policies adopted by the company are as follows:</p> <p>a) BASIS OF ACCOUNTING : The accounts are prepared under the historical cost convention and in accordance with applicable accounting standard.</p> <p>b) STOCKS : Stocks are valued at lower of cost or net realisable value.</p> <p>c) CURRENCIES : This accounts have been prepared in Euro. (•)</p> <p>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 into Euro at the rate of exchange ruling at the end of financial year.</p> <p>e) DEPRECIATION : Depreciation on Fixed assets is at the rate of 20% per annum on straight line basis.</p> <p>f) TAXATION : Tax payable is provided on taxable profit at the current tax rate.</p> <p>2) SHARE CAPITAL Authorised, allotted and fully paid-up. 750 shares of • 25,00 Euro each</p> <p>3) RECEIVABLES (due within one year)</p> <table border="0" style="width: 100%;"> <thead> <tr> <th></th> <th colspan="2" style="text-align: center;">More than 6 months</th> <th colspan="2" style="text-align: center;">Others</th> </tr> <tr> <th></th> <th style="text-align: center;">2015</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2015</th> <th style="text-align: center;">2014</th> </tr> </thead> <tbody> <tr> <td>a) Trade receivable</td> <td style="text-align: right;">0,00</td> <td style="text-align: right;">0,00</td> <td style="text-align: right;">73.163,91</td> <td style="text-align: right;">63.338,84</td> </tr> <tr> <td>b) Other receivable</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>0,00</u></td> <td style="text-align: right;"><u>0,00</u></td> <td style="text-align: right;"><u>73.163,91</u></td> <td style="text-align: right;"><u>63.338,84</u></td> </tr> </tbody> </table> <p>4) SUPPLIERS (due within one year)</p> <table border="0" style="width: 100%;"> <tbody> <tr> <td>a) For Purchase</td> <td style="text-align: right;">0,00</td> <td style="text-align: right;">0,00</td> <td style="text-align: right;">180.849,65</td> <td style="text-align: right;">94.488,50</td> </tr> <tr> <td>b) For Services</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: 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AGIVER BVBA
 Accountantskantoor
 Reg. No. 13320 2N 70

A. D. Javeri
 Director

Antwerpen, 28th April, 2016



AUDITOR'S REPORT

To the Members of Sadhana Nitro Chem Limited.

Report on the Consolidated Financial Statements

67

1. We have audited the accompanying consolidated financial statements of Sadhana Nitro Chem Limited ("the holding Company") and its subsidiaries (the holding company and its subsidiaries together referred to as the "the group"), which comprise the Consolidated Balance Sheet as at 31st March 2016, the Consolidated Statement of Profit and Loss and Consolidated Cash flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including Accounting Standards referred under section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the group are responsible maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and



completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports to in sub- paragraph (a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :



- (a) In the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March 2016 ;
- (b) In the case of the Consolidated Statement of Profit and Loss, of the consolidated loss of the Group for the year ended on that date, and
- (c) In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 30 in financial statements regarding going concern. Our opinion is not qualified in respect of this matter.

Other Matters

9. We did not audit the financial statements of 1 wholly owned subsidiary whose financial statements reflect total assets of ₹ 94.30 Lakhs as at 31st March 2016, total revenue of ₹ 663.23 Lakhs and net cash inflows of ₹ 61.02 Lakhs for the year then ended on that date as considered in the consolidated financial statements. These financial statements are unaudited whose reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements .

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.



- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding company, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There are no pending litigation which would impact financial position of consolidated financial position of the group;
 - ii. The Group did not have any material foreseeable losses on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and there were no amounts required to be transferred to Investor Education and protection fund by the subsidiary Company incorporated in India.

FOR V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS
Firm Regn. No. 109208W

Place : Mumbai
Dated : 27th May, 2016

ARVIND MOHAN
Partner
Membership No. 124082

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016**

	Note	31.03.2016 ₹	31.03.2015 ₹
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	18,80,08,300	18,80,08,300
Reserves and Surplus	3	(11,58,04,120)	(6,80,72,096)
Non-Current Liabilities			
Long-term borrowings	4	2,35,879	12,12,473
Deferred Tax Liabilities (Net)	5	-	-
Long term provisions	6	1,71,21,197	1,75,83,244
Current Liabilities			
Short-term borrowings	7	33,76,06,573	26,95,02,258
Trade payables	8	20,42,03,557	20,76,48,730
Due to micro small and medium enterprises		-	-
Other current liabilities	9	4,47,55,216	3,59,91,150
Short-term provisions	10	64,81,102	35,07,662
TOTAL		68,26,07,704	65,53,81,721
Assets			
Non-current assets			
<i>Fixed assets</i>			
Tangible assets	11	29,40,91,790	31,28,23,674
Capital work-in-progress		8,69,93,828	8,69,93,828
Non-current investments	12	-	1,08,419
Long term loans and advances	13	1,28,68,931	1,33,26,330
Current assets			
Inventories	14	9,10,41,608	9,43,11,505
Trade receivables	15	12,86,03,677	7,32,61,361
Cash and Bank balances	16	1,03,84,850	42,83,349
Short-term loans and advances	17	5,81,89,886	6,98,98,636
Other current assets	18	4,33,134	3,74,618
TOTAL		68,26,07,704	65,53,81,721

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Significant Accounting Policies

Other notes forming part of financial statement 27 to 32

As per our Report of even date
For V. SANKAR AIYAR & CO.
Chartered Accountants
Firm Regn.No. 109208WFor and on Behalf of the Board of Directors
A. D. JAVERI Chairman &
Managing Director
A. R. DOSHI Director
D. M. SHAH DirectorARVIND MOHAN
Partner
Membership No. 124082A. A. JAVERI Director &
Chief Financial Officer
Smt. S. A. JAVERI Executive Director
- AdministrationPlace : Mumbai
Dated : 27th May, 2016N. R. JANI
Company SecretaryPlace : Mumbai
Dated : 27th May, 2016**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2016**

	Note	31.03.2016 ₹	31.03.2015 ₹
INCOME			
Revenue from operations	19	35,80,94,864	48,12,08,358
Other Income	20	22,40,548	41,88,834
Total Revenue		36,03,35,412	48,53,97,192
EXPENSES			
Cost of materials consumed	21	19,02,09,817	32,48,73,532
Purchase of Stock in trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	(17,49,079)	1,09,86,618
Employee benefit expense	23	5,68,12,856	5,44,16,841
Financial costs	24	5,09,38,967	5,19,81,726
Depreciation and amortization expense		2,00,38,460	2,06,82,917
Other expenses	25	9,34,95,903	12,74,29,480
Total Expenses		40,97,46,924	59,03,71,114
Profit before tax Exceptional items and taxes		(4,94,11,512)	(10,49,73,922)
Exceptional items			
Balance written back		-	13,05,16,563
Profit on disposal of investment in subsidiary		-	38,06,992
Profit Before Tax		(4,94,11,512)	2,93,49,633
Taxes of earlier years		-	(61,48,862)
Deferred Tax		-	1,63,77,998
Profit/(Loss) for the period		(4,94,11,512)	3,95,78,769
Basic / Diluted Earning per equity share of face value of ₹10/- each (fully paid up)	26	(5.37)	4.30

Significant Accounting Policies & Notes to Accounts 1

Other notes forming part of financial statement 27 to 32

As per our Report of even date
For V. SANKAR AIYAR & CO.
Chartered Accountants
Firm Regn.No. 109208WFor and on Behalf of the Board of Directors
A. D. JAVERI Chairman &
Managing Director
A. R. DOSHI Director
D. M. SHAH DirectorARVIND MOHAN
Partner
Membership No. 124082A. A. JAVERI Director &
Chief Financial Officer
Smt. S. A. JAVERI Executive Director
- AdministrationPlace : Mumbai
Dated : 27th May, 2016N. R. JANI
Company SecretaryPlace : Mumbai
Dated : 27th May, 2016

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

	31.03.2016	31.03.2015
	₹	₹
CASH FLOW ARISING FROM OPERATING ACTIVITIES		
NET PROFIT/Loss (-) BEFORE TAX	(4,94,11,512)	2,93,49,633
Add : a. Depreciation	2,00,38,460	2,06,82,917
b. Interest	5,09,38,967	4,88,03,686
c. Diminution in the value of Investment	1,08,420	-
Less : a. Profit on Disposal of Sale of Investments in subsidiary	-	38,06,992
b. Profit on Sale of Fixed Assets	-	-
c. Provisions written back	-	-
CASH OPERATING PROFIT BEFORE ADJUSTMENT FOR CHANGE IN WORKING CAPITAL	2,16,74,335	9,82,07,284
a. Trade & other Receivables	(5,53,42,315)	(1,31,87,870)
b. Inventories	32,13,535	2,61,90,535
c. Loans & Advances	1,26,21,175	82,56,339
d. Trade Payables/CL/Provisions	87,42,945	(2,95,33,062)
	(3,08,51,378)	(82,74,058)
CASH FLOW BEFORE FOLLOWING ADJUSTMENT	(91,98,745)	8,99,33,226
a. Direct Taxes (Paid)	(2,170)	-
NET CASH FLOW FROM OPERATING ACTIVITIES-(A)	(91,98,745)	8,99,33,226
CASH FLOW ARISING FROM INVESTING ACTIVITIES		
a. Purchase of Fixed Assets (Net of Adjustment for Capital work-in-progress)	(13,06,576)	(8,50,182)
b. Investment in subsidiary	-	2,36,731
c. Acquisition/Sale of Investments (Net)	-	-
CASH FLOW FROM INVESTING ACTIVITIES-(B)	(13,06,576)	(6,13,451)

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	31.03.2016	31.03.2015
	₹	₹
CASH FLOW ARISING FROM FINANCING ACTIVITIES		
a. Secured Borrowings-Net of Repayment	5,36,68,485	4,68,73,148
b. Unsecured Borrowings-Net of Repayment	(13,27,255)	(8,41,15,048)
c. Interest Paid	(3,57,34,408)	(5,19,81,726)
CASH FLOW FROM FINANCING ACTIVITIES-(C)	1,66,06,822	(8,92,23,626)
NET CHANGE IN CASH / CASH EQUIVALENTS (A+B+C)	61,01,501	96,149
ADD : OPENING BALANCE	42,83,349	41,87,200
CASH/CASH EQUIVALENTS AT END OF THE YEAR	1,03,84,850	42,83,349

Notes :

- 1) Non cash financial and investing activities have been excluded.
- 2) The cash flow statement has been prepared under the "Indirect method" as set out in the Accounting Standard 3 "Cash Flow statement" issued under companies (Accounting Standard) Rules 2006.
- 3) Previous years figures have been regrouped and re-arranged wherever Necessary

As per our Report of even date	For and on Behalf of the Board of Directors		
For V. SANKAR AIYAR & CO.	A. D. JAVERI	A. R. DOSHI	D. M. SHAH
Chartered Accountants	Chairman &	Director	Director
Firm Regn.No. 109208W	Managing Director		
ARVIND MOHAN	A. A. JAVERI	Smt. S. A. JAVERI	
Partner	Director &	Executive Director	
Membership No. 124082	Chif Financial Officer	- Administration	
	N. R. JANI		
Place : Mumbai	Company Secretary	Place : Mumbai	
Dated : 27 th May, 2016		Dated : 27 th May, 2016	



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

NOTE '1'

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

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- iv) The Income and Expenses transaction of the profit and loss account and assets and liabilities appearing in the balance sheet of the foreign subsidiaries, which are considered as Integral foreign operating are translated in Indian Rupees as per Accounting Standard. The effect of changes in foreign exchange rates.
- v) The consolidated financial statement have been prepared using as far as possible uniform accounting policy and are presented to the extent possible in the same manner as the company's financial statement.
4. Significant Accounting policies :
- a) The Accounts have been prepared on historical cost basis and as a going concern complying in all material aspects with applicable accounting principles in India, the Accounting Standard issued by Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.
- b) The audited /unaudited financial statements of foreign subsidiaries have been prepared in accordance with the Generally Accepted Accounting principle of its company of incorporation or International financial reporting standards. The difference in accounting policies of the company and its subsidiaries are not material and they are no material transactions from January 1, 2016 to March 31, 2016 in respect of subsidiaries having financial year ended December 31, 2015.
- c) Sales :
- Sales include exchange differences and are net of sales tax and returns.
- d) Other significant Accounting policies.
- These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

**NOTE '2'****SHARE HOLDERS FUND****SHARE CAPITAL :****Authorised Capital :**

	31.03.2016 ₹	31.03.2015 ₹
9250000 (P.Y. 9250000) Equity Shares of ₹ 10/- each	9,25,00,000	9,25,00,000
11750000 (P.Y. 11750000) 9% Cumulative Non Convertible Preference Shares of ₹ 10/- each	11,75,00,000	11,75,00,000
TOTAL	21,00,00,000	21,00,00,000

Issued, Subscribed and Paid-up Capital :

	31.03.2016 ₹	31.03.2015 ₹
9200830 (P.Y. 9200830) Equity Shares of ₹ 10/- each fully paid	9,20,08,300	9,20,08,300
9600000 9% (P.Y. 9600000) Non Convertible Cumulative Redeemable Preference share of ₹ 10/- Each Fully paid up Preference Shares)	9,60,00,000	1,75,00,000
TOTAL	18,80,08,300	10,95,08,300

Shares held by Holding Company	31.03.2016		31.03.2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Manekchand Panachand Trading Investment Co. Pvt. Ltd. - Equity Share	5960611	64.78	5960611	64.78
9% Cumulative Non Convertible Preference Shares of ₹ 10/- each	9600000	100.00	9600000	100.00

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

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

Particulars	31.03.2016				31.03.2015			
	Equity Shares		Preference Shares		Equity Shares		Preference Shares	
	Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount
Opening	9200830	9,20,08,300	9600000	9,60,00,000	9200830	9,20,08,300	1750000	1,75,00,000
Add. Issued during the year	-	-	-	-	-	-	7850000	7,85,00,000
Closing	9200830	9,20,08,300	9600000	9,60,00,000	9200830	9,20,08,300	9600000	9,60,00,000

Rights, preferences and restrictions attached each class of shares.

The company has only one class of equity shares having at par value of ₹ 10/- per Share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Director is subject to the approval of the share holders in the ensuing Annual general meeting. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to number of shares held by share holder. The company has only one class of Preference shares having at par value of ₹ 10/- per Share. The Preference shares are non-convertible in nature bearing fixed dividend rate of 9%. The non-convertible, cumulative, redeemable preference shares shall be redeemed at the option of the company any time after 3 (three) years but not later than 10 (Ten) years from the date of issue & as decided by the Board of Director in accordance with the term of the issue and in accordance with the provision of the Companies Act, 2013, or any re-enactment thereof. The preference shares shall be non convertible and redeemable at the option of the company at any time after 3 (three) years but not later than 10 (ten) years from the date of allotment of the preference shares.

**NOTE '3'****RESERVE AND SURPLUS :**

	31.03.2016 ₹	31.03.2015 ₹
Capital Reserve	2,35,112	2,19,737
Securities Premium	5,496,740	54,96,740
Capital Redemption Reserve	5,00,000	5,00,000
General Reserve	13,33,29,906	13,33,29,906
Surplus/Deficit in statement of profit & loss		
Opening Balance	(20,76,18,478)	(24,50,04,147)
Foreign Currency Monetary item translation difference Account	16,64,112	-
Less Opening impact of depreciation as new Co Act 2013	-	(21,93,101)
Profit/Loss for the Period	(4,94,11,512)	3,95,78,769
Closing Balance	(25,53,65,878)	(20,54,25,378)
TOTAL	(11,58,04,120)	(6,80,72,096)

NOTE '4'**NON-CURRENT LIABILITIES :**

Long Term Borrowings :-

1) Secured Term Loan From Bank :

a) Vehicle Loan (Secured Hypothication of vehicle) (Refer Note 4(1))	-	5,58,528
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2) Unsecured :

i) Deferred sales tax Loan (Refer note 4 (2))	2,35,879	6,53,945
TOTAL	2,35,879	12,12,473

Note 4 (1)

The loan of ₹ 35.00 Lakhs from ICICI Bank having interest of 10.91% is repayable in 60 monthly installment of ₹ 0.75 Lakhs from January 2012 to October 2016.

Note 4 (2)

The Total loan of ₹ 20.90 Lakhs from SICOM Ltd. Consisting of 3 loans ₹ 12.10 Lakhs ₹ 5.81 Lakhs and ₹ 2.98 Lakhs. This loan is interest free under Sales Tax Deferral Scheme. This loan is repayable in 15 installments from April 2012 and last installments falling due on April 2018.

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

Depreciation and Amortisation	2,22,11,018	2,27,58,998
Unabsorbed Depreciation under Income Tax	(1,49,61,610)	(1,62,80,860)
Expenditure allowed under (IT Act Payment basis)	(72,49,408)	(64,78,138)
TOTAL	-	-



NOTE '6'	31.03.2016 ₹	31.03.2015 ₹
Long Term Provisions :		
Provision for employee Benefits- (Leave Encashment & Gratuity) (Refer Note 23)	1,71,21,197	1,75,83,244
TOTAL	1,71,21,197	1,75,83,244
NOTE '7'		
Short-term borrowings :		
Secured :		
Working Capital Loan From bank		
[The facilities are secured by way of first pari passu charge on Current Assets, second pari passu charge on Company's entire fixed assets and further secured by personal guarantee of Chairman & Managing Director.]	19,56,84,097	14,14,57,084
Unsecured :		
Inter Corporate Deposit		
Others	14,19,22,476	12,80,45,174
Fixed Deposits		
Directors and their relatives	-	-
TOTAL	33,76,06,573	26,95,02,258
NOTE '8'		
Trade payables :		
Due to micro small and medium enterprises	-	-
Others	20,42,03,557	20,76,48,730
TOTAL	20,42,03,557	20,76,48,730

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- (a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to Any supplier as at the end of accounting year ;
- (b) The amount of interest paid by the buyer under MSMED Act,2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.
- (c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act 2006-Not paid.
- (d) The amount of interest accrued and remaining unpaid at the end of accounting year ; and
- (e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23.



NOTE '9'	31.03.2016 ₹	31.03.2015 ₹
Other current liabilities :		
Current maturities of long term debts-Secured & Unsecured Loan Refer Note No. 4(1),4(2)	15,70,796	16,30,514
Redeemed Preference share & Excess right issue (Unclaimed)	21,000	21,000
Unclaimed Bonus & salary	45,547	45,547
Unclaimed dividend	-	76,553
Statutory Dues	2,05,91,877	1,77,18,404
Employee Dues	1,64,74,555	61,49,784
Advance From Customer	-	2,82,872
Book Overdraft	7,30,809	13,70,279
Others outstanding Expenses	53,20,632	86,96,197
TOTAL	4,47,55,216	3,59,91,150

NOTE '10'		
Short-term provisions :		
Provision of Dividend payable	1,41,431	1,26,056
Provision for employee Benefits- (Leave Encashment & Gratuity) (Refer Note 23)	63,39,671	33,81,606
TOTAL	64,81,102	35,07,662

Fixed Assets	GROSS BLOCK (AT COST)		DEPRE- CIATION		NET BLOCK	
	Total as at 31/03/2016 ₹	Total upto 31/03/2016 ₹	As on 31/03/2016 ₹	As on 31/03/2015 ₹		
Tangible Assets :						
Land : Leasehold	76,400	34,179	42,221	43,025		
Freehold	7,66,94,573	-	7,66,94,573	7,66,94,573		
Factory Buildings	10,06,18,539	7,78,79,377	2,27,39,162	2,54,00,708		
Non Factory building	43,00,000	4,12,764	38,87,236	42,95,288		
Plant & Equipments including other Equipments	78,58,57,218	59,73,17,714	18,85,39,504	20,36,49,970		
Furnitures & Fixtures	70,02,591	65,73,212	4,29,379	4,59,845		
Computer	1,19,48,442	1,15,81,810	3,66,632	3,85,603		
Vehicles	1,86,95,800	1,73,02,717	13,93,083	18,94,662		
GRAND TOTAL	1,00,51,93,563	71,11,01,773	29,40,91,790	31,28,23,674		
PREVIOUS YEAR TOTAL	1,00,38,86,988	69,10,63,313	31,28,23,674	25,53,88,692		

Plant & Equipment include lab equipment having WDV ₹ 5,19,886 (P.Y. ₹ 10,13,919/-) R & D Equipment having WDV ₹ 6,57,623 (P.Y. ₹ 7,36,150/-)
Addition in Plant & Machinery includes foreign exchange fluctuation on long term foreign currency liability ₹ Nil (P.Y. ₹ Nil)



NOTE '12'	31.03.2016	31.03.2015
	₹	₹
NON-CURRENT INVESTMENTS :		
Trade Investment		
Unquoted :		
Investment in equity instruments of Subsidiaries 750 (P.Y. 750) Equity Shares of Anuchem B.V.B.A.-Belgium of 25 Euro each	-	-
25000 (P.Y. 25000) Equity Shares of Anuchem Pte.Ltd.-Singapore of 1 Singapore Dollar Each	-	-
TOTAL A	-	-
Other Investments		
Quoted :		
500 (P.Y. 500) Anco Communication Ltd.	71,788	71,788
3900 (P.Y. 3900) Enarai Finance Ltd.	78,000	78,000
18000 (P.Y. 18000) Indian Extractions Ltd.	5,08,194	5,08,194
5000 (P.Y. 5000) Indo-Biotech Ltd.	1,91,250	1,91,250
2000 (P.Y. 2000) First Object Technoliges Ltd.	81,400	81,400
1300 (P.Y. 1300) Mexworth Orchards Ltd.	13,000	13,000
5000 (P.Y. 5000) Ojas Technochem Products Ltd.	1,31,495	1,31,495
	10,75,127	10,75,127
Less Aggregate provision for diminution in value of investment	10,75,127	9,66,707
TOTAL B	-	1,08,419
TOTAL (A+B)	-	1,08,419
[Aggregate value of quoted investment ₹ 10,75,127/- (P.Y. ₹ 10,75,127) and market value of ₹ Nil (P.Y. ₹ 1,11,215)]		
[Aggregate Amount of unquoted investment ₹ 7,71,550 (P.Y. ₹ 7,71,550)]		
NOTE '13'		
LONG TERM LOANS AND ADVANCES :		
(Unsecured Considered Good)		
Capital advance	10,39,735	16,28,289
Other Loan & advances	-	-
Security Deposits	61,12,539	63,13,737
Advance income tax (Net of Provision)	57,16,657	53,84,304
TOTAL	1,28,68,931	1,33,26,330

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NOTE '14'	31.03.2016	31.03.2015
	₹	₹
Inventory : (Valued at lower cost & net realizable value)		
Raw Material include stock in Transit ₹ Nil (P.Y. ₹ 6,65,600)	1,04,90,393	1,40,18,430
Work in Progress	3,94,84,165	3,22,64,448
Finished goods	81,57,198	1,08,74,790
Stores & Spares	3,08,18,186	3,10,61,969
Others (Fuel, Packing material)	20,91,667	60,91,868
TOTAL	9,10,41,608	9,43,11,505
NOTE '15'		
Trade Receivable :		
(Unsecured Considered Good)		
Overdue More than Six Months	55,05,469	-
Other	12,30,98,208	7,32,61,363
TOTAL	12,86,03,677	7,32,61,363
NOTE '16'		
Cash and Bank Balance		
Cash and cash equivalent :		
Balance with banks	30,05,352	5,74,098
Cash in hand	4,37,273	5,05,226
*Other Bank Balance		
F.D. with Bank-Margin money with original Maturity < 12 Months	69,42,225	32,04,025
TOTAL	1,03,84,850	42,83,349
NOTE '17'		
Short Term Loans & Advances :		
(Unsecured Considered Good)		
Loan to Staff	2,24,346	1,80,200
Advance to Vendors	27,09,733	60,01,590
Balance With Statutory/Revenue Authorities	4,74,23,866	5,70,43,178
Other *	78,31,941	66,73,668
TOTAL	5,81,89,886	6,98,98,636
(*Includes Employee Loan, Prepaid Expenses)		
NOTE '18'		
Other Current Assets :		
Receivable From Holding Company	-	-
Interest Accrued	4,33,134	3,74,619
TOTAL	4,33,134	3,74,619



NOTE '19'	31.03.2016	31.03.2015
	₹	₹
REVENUE FROM OPERATION :		
Sales of product	35,23,35,297	47,86,91,035
Less : Excise duty	-	-
TOTAL	35,23,35,297	47,86,91,035
Other operative revenue :		
Export Benefit	51,51,527	4,61,621
Other (Waste Material)	6,08,040	20,55,702
	57,59,567	25,17,323
TOTAL	35,80,94,864	48,12,08,358
Detail of Sales		
Sales of Organic intermediates	13,96,85,786	13,28,16,711
Sales of Chemical intermediates	20,59,26,960	34,72,25,120
Earning in Foreign Currency (FOB)	22,47,95,047	26,36,61,681
NOTE '20'		
OTHER INCOME :		
Interest income	5,76,656	27,50,166
Net Gain on foreign exchange transaction	10,08,525	1,13,764
Loss on Sale of Assets	-	-
Balances Written back	-	5,99,730
Other Miscellaneous income	6,55,367	7,34,444
TOTAL	22,40,548	41,98,104
NOTE '21'		
EXPENSES :		
Cost of Material Consumed		
Inventory at the beginning of the Period	1,44,07,452	1,39,48,106
Add : purchase	18,70,50,546	32,42,78,256
Inventory at the end of the Period	1,12,48,181	1,33,52,830
	19,02,09,817	32,48,73,532
Value of Raw Material Consumed		
Imported	2.44% 4,63,34,888	5.05% 1,63,12,486
Indigenous	97.56% 18,55,74,929	94.95% 30,69,78,224
Raw Material Consumed		
Benzene	4,63,08,546	13,06,79,473
Nitric acid	2,61,87,442	3,71,11,390
Cast iron powder	2,28,87,972	2,58,18,782
Oleum 65%	80,09,519	91,11,266
Caustic Potash Flakes	1,05,11,233	2,87,82,700
Packing Material	15,17,629	17,30,776
Other	7,47,87,277	9,17,87,099
TOTAL	19,02,09,817	32,50,21,486

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NOTE '22'	31.03.2016	30.03.2015
	₹	₹
Change in inventory of Finished goods, Work in progress and Stock in Trade		
Opening Finished Goods	2,43,86,965	2,78,19,529
Less : Closing finished good	1,88,66,327	2,58,97,327
	55,20,638	19,22,202
Opening work in progress	3,22,64,448	4,13,68,864
Less : Closing work in progress	3,94,84,165	3,22,64,448
	(72,19,717)	91,04,416
Other Opening Stock	50,000	45,000
Less : Other Closing Stock	75,000	50,000
	(25,000)	(5,000)
Scrap Opening Stock	150,000	1,15,000
Less : Scrap Closing Stock	175,000	1,50,000
	(25,000)	(35,000)
TOTAL	(17,49,079)	1,09,86,618
NOTE '23'		
Employee Benefit Expenses :		
Salaries, wages and Bonus	5,10,54,497	4,62,21,922
Contribution to PF and other funds	26,80,923	26,96,947
Gratuity Expenses	18,36,547	38,09,876
Staff welfares	12,40,889	16,88,096
TOTAL	5,68,12,856	5,44,16,841
NOTE '24'		
Financial Cost :		
Interest Expenses	2,83,30,922	2,43,04,118
Other borrowing cost	2,25,87,950	2,83,07,278
Net Gain/Loss foreign currency transaction & translation	20,095	(6,29,670)
TOTAL	5,09,38,967	5,19,81,726
NOTE '25'		
Other Expenses	9,34,95,903	12,74,29,480

**NOTE '26'**

	31.03.2016 ₹	31.03.2015 ₹
Earning per share of Nominal value of ₹ 10/- each computed in according with Accounting Standard (As-20) for the year		
a) Profit/(Loss) after tax as per P&L Account	(4,94,11,512)	3,95,78,769
b) Opening number of equity shares outstanding	92,00,830	92,00,830
c) Closing number of equity shares outstanding	92,00,830	92,00,830
d) Basic/Diluted earning per share [(a)/(c)](₹10/-per share)	(5.37)	4.30

NOTE '27'

Estimated Liabilities not provide for	-	-
a) Estimated amount of contract remaining to be executed (net of payment)	-	-
b) In respect of Guarantee given by the company's Banker for central excise and other purpose	-	-
c) In respect of corporate guarantee given by the company to the bank for loans borrowed by indian subsidiary	-	-
d) Preference Dividend on 9% cumulative Redeemable preference shares	1,03,11,781	16,71,781

NOTE '28'**CONSOLIDATED SEGMENT REPORTING**

i) Information about Primary segment-geographical

	Export Segment	Local Segment	Total
Segment Revenue			
External Turnover	24,15,85,047	11,13,58,290	35,29,43,337
Export Incentive	51,51,527	-	51,51,527
Other revenue			22,40,548
	24,67,36,574	11,13,58,290	36,03,35,412
Segment Result	2,44,93,356	5,167,989	1,93,25,367
Other revenue			22,40,548
Operating Profit			2,15,65,915
Interest			5,09,38,967
Depreciation			2,00,38,460
Profit/(Loss) before Taxation			(4,94,11,512)
Current Tax			-
Deferred Tax			-
Profit after Taxation			(4,94,11,512)

NOTE '29'**RELATED PARTY DISCLOSURES**

Nature of Transaction	Holding Company	Subsidiary Company	Associate Company	(*) K.M. Personnel	Total
a) Sales of Goods	-	7,62,52,149	-	-	7,62,52,149
		(-) (1,62,32,722)	(-)	(-)	(16,23,27,22)
b) Receiving Services	-	-	2,67,867	-	2,67,867
	(-)	(-)	(4,63,375)	(-)	(4,63,375)
c) Managerial Remuneration	-	-	-	69,22,720	69,22,720
	(-)	(-)	(-)	(44,48,950)	(44,48,950)
d) Director Sitting Fees	-	-	-	20,000	20,000
	(-)	(-)	(-)	(60,000)	(60,000)
e) Loan Repayment	86,52,313	-	-	-	86,52,313
	(-)	(-)	(-)	(-)	(-)
f) Loan Received	92,91,000	-	-	-	92,91,000
	(-)	(-)	(-)	(-)	(-)
g) Guarantee Commission	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Outstanding Balance as on 31st March, 2016	-	-	-	(24,00,000)	(24,00,000)
	6,38,687	(18,74,276)	(4,63,675)	64,74,444	3,74,74,336

I) List of Related Parties

- i) Holding Company - M/s Manekchand Panachand Trading Investment Co. Pvt. Ltd.
- ii) Subsidiaries - M/s Anuchem B.V.B.A Belgium
- iii) Promoters Having Significant Influence - M/s Lifestyle Networks Ltd.
M/s I.B.I. Engineering & Services Pvt Ltd.
M/s Amniser Corporation
M/s Manekchand Panachand & Co.
M/s Chandra Net Ltd.

II) Key Management Personal

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

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

- (1) Sale of Good to Anuchem BVBA, Belgium ₹ 7,62,52,149/- (P.Y. ₹ 1,62,32,722/-)
- (2) Receiving Services to Amniser Corporation (Associate Company) ₹ 2,67,867/- (P.Y. ₹ 4,63,675/-)
- (4) Loan Accepted from Manekchand Panachand Trading & Investment Co. Pvt. Ltd. (Holding Company) ₹ 92,91,000/- (P.Y. Nil)
- (5) Loan Repayment from Manekchand Panachand Trading & Investment Co. Pvt. Ltd. (Holding Company) ₹ 86,52,313/- (P.Y. Nil)



**NOTE '30'**

The order book position has improved during the financial year as compared to the past including long term supply agreements. During the period, the company has disposed most of its non core assets and the proceeds have been utilized to settle some of the high cost debt and also towards working capital requirements. This in cumulative perspective will improve the overall performance of the company in addition to absorbing accumulated losses. Hence although there are accumulated losses as on 31st March, 2015, considering the overall strategy, going concern would not be affected and accordingly financial statements have been prepared.

NOTE '31'

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

NOTE '32'**(A) VALUE OF IMPORT CALCULATED CIF BASIS**

			<u>57,29,725</u>	91,38,870
Raw Material				
	TOTAL		<u><u>57,29,725</u></u>	<u><u>91,38,870</u></u>
Value of store Consumed				
Import	0%	-	0%	-
Indigenous	100%	49,02,387	100%	91,34,825

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(B) EXPENDITURE IN FOREIGN CURRENCY

(To the extent paid)

Travelling Expenses		11,53,363	24,42,422
Commission		15,451	4,32,040
Interest and other charges on FC loan from banks		-	-
	TOTAL	<u><u>11,68,814</u></u>	<u><u>28,74,462</u></u>

As per our Report of even date
For V. SANKAR AIYAR & CO.
Chartered Accountants
Firm Regn.No. 109208W

For and on Behalf of the Board of Directors
A. D. JAVERI **A. R. DOSHI** **D. M. SHAH**
Chairman & Director Director
Managing Director

ARVIND MOHAN
Partner
Membership No. 124082

A. A. JAVERI **Smt. S. A. JAVERI**
Director & Executive Director
Chif Financial Officer - Administration

Place : Mumbai
Dated : 27th May, 2016

N. R. JANI
Company Secretary

Place : Mumbai
Dated : 27th May, 2016

BLANK



SADHANA NITRO CHEM LIMITED

CIN : L24110MH1973PLC016698

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

.Tel. 022-23822524 Fax 022-23887235 E-Mail: sadhananitro@sncl.com Website: www.sncl.com

PROXY FORM

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

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

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

- Name: Address :
E-mail Id : Signature :or failing him/ her
- Name : Address :
E-mail Id :Signature :or failing him/ her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 43rd ANNUAL GENERAL MEETING of the Company on Friday, 12th August, 2016 at 3.00 p.m. at Seth Hirachand Gumanji Trust Hall, Hira Baug,1st Floor, Kasturba Chowk (C.P. Tank), Mumbai - 400 004.

Item No.	Resolution	No. of Shares	(For)	(Against)
			I/We assent to the Resolution	I/We dissent to the Resolution
1.	ORDINARY BUSINESS Adoption of Balance Sheet, Profit & Loss Account and Cash Flow Statement as at 31 st March, 2016 and reports of Board of Directors and Auditors thereon.			
2.	To appoint a Director in place of Shri Abhishek A. Javeri (DIN No. 00273030) who retires by rotation and being eligible offers himself for reappointment.			
3.	Appointment of Statutory Auditors for the Financial Year 2016-17 and fixing remuneration thereof.			

Signed this _____ day of _____ 2016

Signature of Shareholder

Signature of Proxy holder(s)

Please affix Re. 1/- Revenue Stamp

Notes:

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



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