






Form B

Format of covering letter of the annual audit report to be filed with the stock exchange

1.	Name of the Company	Garodia Chemicals Limited
2.	Annual financial statement for the year ended	31.03.2015
3.	Type of Audit Qualification	Matter of Emphasis
4.	Frequency of Qualification	Appeared Reparative
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report	Please refer to the Note No. 20 of the Notes to accounts and Point No. 7.1 of the Auditors Report
6.	Additional Comments from the board/audit committee chair:	The Company is in process of reviving its operations
5.	To be signed by-	
	<ul style="list-style-type: none"> • CEO/Managing Director 	 Mahesh Garodia Chairman and Non-Executive Director 
	<ul style="list-style-type: none"> • CFO 	Not appointed
	<ul style="list-style-type: none"> • Auditor of the Company 	 M/s. Milind K. Mehta & Co.. Chartered Accountants (Registration No. 129664W)
	<ul style="list-style-type: none"> • Audit Committee Chairman 	 Mr. Kunal Naik 

Date: 01/09/2015

Place: Mumbai



Garodia Chemicals Limited

Annual Report of 2014-2015

149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (East), Mumbai – 400 077

CIN: L99999MH1993PLC07032

Email id: gclshares@gmail.com

Phone : 022-67983683; Fax : 022-66716149

BOARD OF DIRECTORS

Mahesh Garodia - Chairman and Non- Executive Director
Kunal Naik - Independent Director
Brian Fernandes - Independent Director

BANKERS

The Shamrao Vithal Cooperative Bank
Jayant Arcade, Rajawadi Naka,
Mahatma Gandhi Rd, Rajawadi Colony,
Ghatkopar East, Mumbai-400077

AUDITOR

M/s. Milind K. Mehta & Co.,
Chartered Accountants
(Registration No. 129664W)

ANNUAL GENERAL MEETING

On Monday
28th September, 2015
at 10.00 A.M.

at
149/156, Garodia Shopping Centre,
Garodia Nagar, Ghatkopar (East),
Mumbai – 400077

REGISTRAR AND TRANSFER AGENTS

M/s. Link Intime India Pvt Ltd.
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup West,
Mumbai – 400 078
Tel: +91 22 - 25963838
Fax: +91 22 - 25962691
E-mail: rnt.helpdesk@linkintime.co.in

REGISTERED OFFICE

149/156, Garodia Shopping Centre,
Garodia Nagar, Ghatkopar (East),
Mumbai – 400077
Tel: +91 22 - 67983683
Fax: +91 22 - 66716149
Email id: gclshares@gmail.com

LAND MARK: Near P.G Garodia English High School

Notice is hereby given that the Annual General Meeting of the members of Garodia Chemicals Limited will be held on Monday, September 28, 2015 at 10.00 a.m. at the registered address of the Company situated at 149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (East), Mumbai – 400077 to transact the following businesses:

Ordinary Business:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Mahesh Garodia (DIN 01250816) who retires by rotation and, being eligible offers himself for re-appointment.
3. To appoint M/s. Milind K. Mehta & Co., Chartered Accountants (Registration No. 129664W) as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors of the Company to fix their remuneration.

Special Business:

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

“RESOLVED THAT pursuant to Section 180(1)(c) and all other enabling provisions of the Companies Act, 2013, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”) for borrowing from time to time any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may deem fit which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up

capital of the company and its free reserves, that is to say reserves not set apart for any specific purpose, provided that the total amount of money/ moneys so borrowed shall not exceed Rs. 100 Crores (Rupees One Hundred Crores Only).

RESOLVED FURTHER THAT the Board or any of its duly constituted committee be and is hereby authorised to do and perform all such acts, deeds and things and to take all steps as may be considered necessary, proper and expedient to carry on the purpose of this resolution.”

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

"RESOLVED THAT pursuant to the provisions of section 180(1)(a) and all other applicable provisions if any of the Companies Act, 2013 or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof) and in terms of Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter “the Board”) for mortgaging / charging all or any of the immovable and movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and Lender(s) to secure the loans / borrowings obtained or as may be obtained, which may exceed the paid-up capital and free reserves in the ordinary course of business but not exceeding Rs. 100 Crores (Rupees One Hundred Crores only) at any point of time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board or any of its duly constituted committee be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the charge/mortgage aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

By Order of the Board of Directors

Garodia Chemicals Limited,

SD/-

Mahesh Garodia

Director and Compliance Officer

DIN: 01250816

Add: Namakwala, M. G. Road, Ghatkopar (East), Mumbai- 400077

Date: 01-09-2015

Place: Mumbai

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETINGS IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL ONLY, INSTEAD OF HIMSELF AND A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**

- 2. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER**

3. Members/proxies should bring duly attendance slip sent herewith to attend the meeting.

4. The Register of Members and Share Transfer Books of the Company will remain closed from 21-09-2015 to 28-09-2015 (both days inclusive)

5. Members holding shares in physical form are requested to notify the change, if any, in their address and blank mandate details to the Registrar and Share Transfer Agent, Link Intime India Pvt. Ltd, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400078.
6. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.
8. Members seeking any information on the Accounts are requested to write to the Company, which should reach the Company at least one week before the date of the Annual General Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Annual General Meeting.
9. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), in respect of the businesses under Item Nos. 4 & 5 of the Notice is annexed hereto.
10. 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 Report, Notices, Circulars etc. from the Company electronically.
11. Members are requested to immediately intimate changes, if any, in their registered addresses along with pin code number to the Company. Members holding shares in dematerialized mode are requested to intimate the same to their respective Depository Participants.
12. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate risks associated with physical shares.

13. Physical copies of the Notice of the AGM along with the Annual Report 2014-15 are being sent to the Members at the addresses that is registered with the RTA by the permitted mode.
14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during (3.00 pm to 5.00 pm) on all working days except Saturday, up to and including the date of the Annual General Meeting of the Company.
15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
16. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

17. Voting through electronic means

In compliance with the provisions of Section 108 of the Act and the Rules made there under, the Members are provided with the facility to cast their vote electronically, through the e-Voting Services provided by Central Depository Services (India) Limited (CDSL) on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- (i) The voting period begins on 25-09-2015 at 10.00 a.m. and ends on 27-09-2015 at 05.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21-09-2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com

- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<ul style="list-style-type: none"> • Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Address Stick indicated in the PAN field.
DOB	<ul style="list-style-type: none"> • Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- (viii) After entering these details appropriately click on “SUBMIT” tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

Other Instructions

- A) The voting rights of Members shall be in proportion to their share of the paid up share capital of the Company as on 21-09- 2015.
- B) Ms. Kumudini Paranjape, Partner in M/s Makarand M. Joshi & Co., Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair

and transparent manner (including voting by poll and the Ballot form received from the Members who do not have access to the e-voting process) in a fair transparent manner.

- C) Any person, who acquires the shares of the Company and become member of the Company after dispatch of notice and holding shares as on the Cut- off date i.e. 21-09-2015 may obtain the login ID and password by sending the request at the email-Id kumudiniparanjape@mmjc.in or to the Scrutinizer Ms. Kumudini Paranjape at 803/804, 9th Floor, City of Joy, J.S.D Road, Mulund (West), Mumbai-400080
- D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com
- E) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period shall make a report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- F) Members who do not have access to remote e-voting facility may send duly completed Ballot Form (enclosed with the Notice) so as to reach the Scrutinizer appointed by the Board of Directors of the Company at 803/804, 9th Floor, City of Joy, J.S.D Road, Mulund (West), Mumbai-400080 not later than 27-09-2015 (5.00p.m.). Ballot Forms deposited in person or sent by post or courier at the expenses of the Member will also be accepted. Ballot form received after this date will be treated as invalid.
- G) The facility for voting through ballot paper shall be made available at the AGM and the members attending the AGM who have not cast their votes by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- H) A Member can opt for only one mode of voting i.e. either through e-voting or by ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.

- I) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be eligible to cast their vote again.
- J) The Scrutinizer shall after the conclusion of voting at the Annual 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 witness not in the employment of the Company and shall make, not later than 2 days of the conclusion of AGM, a consolidated Scrutinizer's Report of the total votes cast in favor and against, if any, to the Chairman or a person authorised by him in writing , who shall countersign the same and declare the result of the voting forthwith.
- K) The Results declared along with Scrutinizer's Report (s) will be available on the website of the Company (www.gchem.co.in) within two days of passing of resolutions and communication of the same to the BSE Limited.

By Order of the Board of Directors

Garodia Chemicals Limited,

SD/-

Mahesh Garodia

Director and Compliance Officer

DIN: 01250816

Add: Namakwala, M. G. Road, Ghatkopar (East), Mumbai- 400077

Date: 01-09-2015

Place: Mumbai

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No. 4 & 5:

As per the provisions of Section 180 of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the Company in the General Meeting by a Special Resolution, borrow the monies apart from temporary loans (loans viz., means loans repayable on demand or within six months from the date of the loan such as short-term, cash credit arrangements, the discounting of bills and the issue of other short-term loans of a seasonal character, but does not include loans raised for the purpose of financial expenditure of a capital nature) obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up Capital and the Free Reserves of Company, that is to say, reserves not set apart for any specific purposes.

Further the Board of Directors shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings. Under the provisions of Section 180 (1) (a) and Section 180 (1) (c) of the Companies Act, 2013, which were made effective from September 12, 2013, the above powers can be exercised by the Board only with the consent of the Members obtained by a Special Resolutions.

Keeping in view of the Company's business requirements and its growth plans, it is considered appropriate to increase the aforesaid limit of borrowings. Your consent is therefore sought, to authorize the Board to borrow up to Rs. 100/- Crores (Rupees One Hundred Crores Only) (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) as outstanding, at any time as set out in the resolutions.

The borrowing limit and to sell, lease or otherwise dispose of the undertakings under 180 (1) (a) it is proposed to be enhanced to such an extent that the sum(s) so borrowed under this resolution and remaining outstanding at any time shall not exceed in the aggregate of Rs. 100/- Crores

(Rupees One Hundred Crores Only) in excess of and in addition to the paid-up capital and free reserves of the Company for the time being. Therefore members are requested to pass the necessary special resolution as mentioned in the notice. It is, therefore, necessary for the Members to pass Special Resolutions under Section 180 (1) (a) and Section 180 (1) (c) and other applicable provisions of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel or their relatives, are interested or concerned in the resolutions.

The Board recommends the Special Resolutions set out at Item No. 4 & 5 of the accompanying Notice in the interests of the Company.

By Order of the Board of Directors

Garodia Chemicals Limited,

SD/-

Mahesh Garodia

Director and Compliance Officer

DIN: 01250816

Add: Namakwala, M. G. Road, Ghatkopar (East), Mumbai- 400077

Date: 01-09-2015

Place: Mumbai

**Details of Director seeking appointment/re-appointment at the Annual general Meeting
(pursuant to clause 49 of the Listing Agreement & Applicable Provisions Secretarial
Standard – 2**

Particulars	Mr. Mahesh Garodia
Age	68
Date of Appointment	06-01-1993
Experience in functional area	Construction
Qualification	B.E
Terms and Condition of Appointment and Last Remuneration	Appointed as an Non-Executive Director and he is not been paid any remuneration
Directorship in other Companies (Public Limited Companies)	1
Membership of Committees of other Public Companies (Audit Committee /Nomination Remuneration Committee/Stakeholders Relationship Committee)	3
No. of Shares held in the company	13,64,600
First Appointment by the Board	06-01-1993
Relationship with other Director, Manager & KMP	All other Directors in the Company are Independent Directors.
Board Meeting attended (F.Y. 2014-15)	10

Balance Sheet as at 31st March, 2015					
Particulars			Note No.	As at 31/03/2015	As at 31/03/2014
				Rs.	Rs.
I. EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital			2	72002000	72002000
(b) Reserves and Surplus			3	-192560713	-174064423
(2) Non-current liabilities					
Long-term borrowings			4	28800000	28800000
(3) Current liabilities					
(a) Short-term borrowings			5	54875362	31408172
(b) Trade payables			6	870252	870252
(c) Other current liabilities			7	55505894	61684311
TOTAL				19492795	20700312
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets			8	14815568	15948539
(ii) Capital work-in-progress				11400	11400
(b) Non-current investments			9	0	0
(c) Long-term loans and advances			10	4616817	4616817
(2) Current assets					
(a) Inventories			11	0	0
(b) Trade receivables			12	0	0
(c) Cash and Bank Balances			13	49010	123556
TOTAL				19492795	20700312
Notes forming part of Financial Statements			1 to 22		

FOR M.K. MEHTA & CO.	On behalf of the Board of Directors Garodia Chemicals Limited	
SD/- Milind K. Mehta Membership No. 47739	Mahesh Garodia SD/- DIN: 01250816	Kunal Nalin Naik SD/- DIN: 02689478

Date: 30-05-2015

Place: Mumbai

Statement of Profit and Loss for the year ended 31st March, 2015						
Particulars			Note No.	For the year ended 31/03/2015	For the year ended 31/03/2014	
				Rs.	Rs.	
I. Revenue from operations						
Sale of Products (Gross)				0	0	
III. Total Revenue (I + II)				0	0	
IV. Expenses:						
1) Changes in inventories of finished goods, work-in-process and Stock-in-Trade			14	0	0	
2) Employee benefits expense			15	60000	50000	
3) Depreciation and amortization expense			8	1132971	1180743	
4) Other expenses			16	593088	548438	
Total expenses				1786059	1779181	
V. Loss before Exceptional and Extra ordinary items and tax (III-IV)				-1786059	-1779181	
Exceptional items						
Finance Cost- One time settlement				-16710231	0	
VI. Loss before extra ordinary items and tax				-18496290	-1779181	
VII Loss before tax (V - VI)				-18496290	-1779181	
VIII. Tax expense:						
(1) Current tax :				0	0	
(2) Deferred tax				0	0	
				-18496290	-1779181	
IX. Loss for the period from continuing operation				-18496290	-1779181	
X. Loss for the period				-18496290	-1779181	
XI. Earnings per equity share:						
1) Basic				-2.57	-0.25	
2) Diluted				-2.57	-0.25	
Notes forming part of Financial Statements			1 to 22			

FOR M.K. MEHTA & CO.	On behalf of the Board of Directors Garodia Chemicals Limited	
SD/- Milind K. Mehta Membership No. 47739	Mahesh Garodia SD/- DIN: 01250816	Kunal Nalin Naik SD/- DIN: 02689478

Date: 30-05-2015

Place: Mumbai

Cash flow statement for the year ended 31st March, 2015.				
			For the year ended	For the year ended
Particulars			31/03/2015	31/03/2014
CASH FLOW FROM OPERATING ACTIVITIES				
Loss before tax			-18496290	-1779181
Add : Adjustments for :				
Depreciation expense			1132971	1180743
Finance Cost incurred			16710231	0
Operating Loss before working capital changes			-653088	-598438
Decrease in current liabilities			6178417	10283
Cash generated from operations			-6831505	-588155
Less :- Income taxes paid			0	0
Net Cash from Operating Activities			-6831505	-588155
CASH FLOW FROM INVESTING ACTIVITIES				
			0	0
			0	0
CASH FLOW FROM FINANCING ACTIVITIES				
Net increase in short term borrowings			23467190	571500
Finance cost incurred			-16710231	
			6756959	571500
Net Increase in Cash & Cash equivalents			-74546	-16655
Cash & Cash equivalents at the beginning of the year			123556	140211
Cash & Cash equivalents at the end of the year			49010	123556

Notes: Previous year's figures have been regrouped /reclassified wherever necessary to make them comparable with the current year's figures

FOR M.K. MEHTA & CO.	On behalf of the Board of Directors Garodia Chemicals Limited	
SD/- Milind K. Mehta Membership No. 47739	Mahesh Garodia SD/- DIN: 01250816	Kunal Nalin Naik SD/- DIN: 02689478

Date: 30-05-2015

Place: Mumbai

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1) SIGNIFICANT ACCOUNTING POLICIES:

a) **Basis of Accounting:**

The Company follows the accrual system of accounting except gratuity and leave encashment

- i) benefits to employees.
- ii) The financial statements are based on historical cost convention.

b) **Fixed Assets :**

- i) Fixed Assets are stated at cost less accumulated depreciation.

ii) **Capitalisation of construction period expenses :**

Direct expenses as well as clearly identifiable indirect expenses, incurred on project during the period of construction are capitalised proportionately to respective assets.

c) **Depreciation**

Depreciation is provided on the fixed assets on straight line method in the manner specified in schedule II to the Companies Act, 2013.

d) **Inventories :**

Inventories are valued at lower of the cost and net realisable value.

e) **Investments :**

Investments are stated at cost.

f) **Revenue Recognition:**

- i) Revenue from sale of goods and steam is recognized when the substantial risk and rewards of ownership are transferred to the buyer under the terms of the contract.
- ii) Other items of income are accounted as and when right to receive arises.

g) **Provision for Taxation :**

Provision for tax is made on both current and deferred tax. Current tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax liabilities arising on account of timing difference and which are capable of reversals in subsequent period are provided using tax rates and tax laws that have been enacted or subsequently enacted.

As at 31/03/2015	As at 31/03/2014
Rs.	Rs.

2 Share capital

Authorised :

1,00,00,000 Equity Shares of Rs.10/- each
(Previous year 1,00,00,000 Equity Shares
of Rs. 10/- each)

100000000	100000000
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Issued, Subscribed and Paid up :

7200200 Equity Shares of Rs. 10/- each
fully paid-up

72002000	72002000
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TOTAL	72002000	72002000
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Details of shareholders holding more than 5% shares as on the Balance Sheet date.

Sr. No.	Name of the shareholder	No. of shares held	
		As at 31/03/2015	As at 31/03/2014
1	Mahesh G. Garodia	1250000	1250000
2	Nishant M. Garodia	1250000	1250000
3	SICOM Ltd.	750000	750000
4	Garodia Sons Pvt. Ltd.	611100	611100

	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
3 Reserves and Surplus		
<u>Surplus i.e. balance in the statement of profit and loss</u>		
Balance as per last Balance Sheet	-174064423	-172285242
Add :- Balance in statement of profit & loss	-18496290	-1779181
TOTAL	<u>-192560713</u>	<u>-174064423</u>

	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
4 Long Term Borrowings		
Term Loan From Aashka Holdings Pvt. Ltd.	28800000	28800000
(The term loan taken from IDBI and now transferred to Aaskha Holdings Pvt. Ltd. is secured by hypothecation & first legal mortgage charge of immovable & movable properties.)		
TOTAL	<u>28800000</u>	<u>28800000</u>

	As at 31/03/2015	As at 31/03/2014
	Rs.	Rs.
5 Short Term Borrowings		
I) Loans repayable on demand from banks - Secured		
(a) Working Capital facilities from Central Bank of India (C.C. A/c)	0	9969610
(b) Overdraft with Central Bank of India (O.D. A/c)	0	396000
(c) Overdraft with Central Bank of India	0	1843
(d) Bill Discounting facilities from Central Bank of India	0	2384356
TOTAL (A)	<u>0</u>	<u>12751809</u>

	As at 31/03/2015	As at 31/03/2014
	Rs.	Rs.
II) Loans repayable on demand from others - Unsecured		
(Free of Interest)		
(a) From related Parties	53125362	16906363
(b) From others	1750000	1750000
TOTAL (B)	<u>54875362</u>	<u>18656363</u>
Short Term Borrowings	Total (A) + (B)	<u>54875362</u> <u>31408172</u>

	As at 31/03/2015	As at 31/03/2014
	Rs.	Rs.
6 Trade Payables		
Trade payables	870252	870252
TOTAL	<u>870252</u>	<u>870252</u>

Disclosure under the Micro, Small and Medium Enterprises Development Act. 2006

The Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act 2006, have been identified on the basis of information available with the Company. There are no dues owing by the Company to The Micro, Small and Medium Enterprises at the year end (at the end of the previous year Nil)

	As at 31/03/2015	As at 31/03/2014
	Rs.	Rs.
7 Other Liabilities		
(a) Interest accrued and due on borrowings	51606114	57791999
(b) Creditors for capital expenditure	1402125	1402125
(c) Sundry Creditors for expenses	2495069	2489297
(d) Statutory dues payable	2586	890
TOTAL	<u>55505894</u>	<u>61684311</u>

	As at 31/03/2015	As at 31/03/2014
	Rs.	Rs.
9 Non Current Investments - At cost		
(a) Investments in Equity Shares- fully paid up(Other than trade investment) -	155000	155000
(b) Quoted investment Aggregate Market Value Rs. NIL (Previous Year : Rs. NIL)	155000	155000
Less : Provision for Dimunition in Value of investments	155000	155000
TOTAL	<u>0</u>	<u>0</u>

Note : In view of Dimunition in value of investments, provision has been made for the full amount. In absence of any documents on record, no additional information is given relating to the investments.

	As at 31/03/2015	As at 31/03/2014
	Rs.	Rs.
10 Long Term Loans and Advances:		
Unsecured, considered good unless stated otherwise		
(a) Capital Advances (Considered Doubtful)	2547271	2547271
(b) Deposits (including Rs. 17,10,000/- Considered doubtful)	5325000	5325000
(c) Modvat Credit receivable (input)	3437	3437
(d) Modvat Credit receivable (Capital Goods)	998380	998380
	<hr/>	<hr/>
	8874088	8874088
Less : Provision Made	4257271	4257271
	<hr/>	<hr/>
TOTAL	4616817	4616817

	As at 31/03/2015	As at 31/03/2014
	Rs.	Rs.
11 Inventories		
(as taken, valued and certified by a director of the Company)		
(a) Raw Materials	365704	365704
(b) Works in Process	2067970	2067970
(c) Finished goods	1499726	1499726
	<hr/>	<hr/>
	3933400	3933400
Less : Provision for loss in value of inventories	3933400	3933400
	<hr/>	<hr/>
TOTAL	0	0

	As at 31/03/2015	As at 31/03/2014
	Rs.	Rs.
12 Trade Receivables		
Trade Receivables outstanding for a period exceeding six months (Unsecured & Considered Doubtful)	2360997	2360997
	<hr/>	<hr/>
	2360997	2360997
Less : Provision made	2360997	2360997
	<hr/>	<hr/>
TOTAL	0	0

	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
13 Cash and Bank Balances :		
<u>Cash and cash equivalents</u>		
(a) Cash on hand	37815	97813
(b) With Bank in Current Account	11198	25743
TOTAL	49013	123556

	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
14 Changes in Inventory of Finished goods, work in progress and stock in trade.		
<u>(a) Manufactured goods (Chemicals):</u>		
Opening Stock	1499726	1499726
Closing Stock	1499726	1499726
TOTAL (a)	0	0
<u>b) Work in Process (Paper) :</u>		
Opening Stock	2067970	2067970
Closing Stock	2067970	2067970
TOTAL (b)	0	0
TOTAL (a+b)	0	0

	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
15 Employee Benefits Expenses		
Salaries and wages	60000	50000
TOTAL	60000	50000

	As at 31/03/2015 Rs.	As at 31/03/2014 Rs.
16 Other Expenses		
Bank charges	812	630
Interest on late payment of TDS	101	839
Advertisement expenses	44393	45537
Fees to BSE Ltd.	124720	31067
Payments to Auditors :		
Audit Fees	15000	10000
Postage, Courier & Internet charges		30832
Consultancy / Professional charges	392667	373123
Demate Charges	15393	52810
Sundry Expenses	2	3600
TOTAL	593088	548438

- 17** As per the agreement for Assignment of Debt executed on 13th July, 2007 between IDBI (Assignor) and Aaskha Holding Pvt Ltd (Assignee). IDBI has transferred its rights of the amount receivable from the company to the assignee, Consequently the amount payable as per Books of Accounts of the company to the IDBI, have been transferred in the name of the assignee i.e. Aaskha Holdings Pvt Ltd.
- 18** The manufacturing activities have been suspended by the company and the plant is closed. In view of the same the Plant and Machinery, Office Equipments, furniture and Fixture have not been physically verified. The relevant records are yet to be maintained.
- 19** The company is accounting liability for excise duty on finished products as and when these are cleared as per consistent practice as also considering the accepted practice of the Excise Authorities. The liability in respect of finished products lying in stock at the close of the year which is estimated at Rs.2,39,556/- (Previous Year Rs. 2,39,556/-) has not been provided for in the accounts and hence, not included in the valuation of inventory of such products.

- 20 In view of heavy accumulated losses and suspension of the manufacturing activities no provision has been made for the interest payable on term loan facilities granted by IDBI and now taken over by Aaskha Holdings Pvt Ltd. The estimated amount of interest payable till 31st March, 2015 works out to Rs.165666039/- (previous year Rs.144830392/-). The company is pursuing the matter for one time settlement including waiver of interest. Balances of loans and interest payable are subject to confirmation.
- 21 Financial statements have been prepared in accordance with the fundamental accounting assumption that the company is a going concern.
- 22 Figures of the previous year have been regrouped or rearranged wherever necessary.

FOR M.K. MEHTA & CO.	On behalf of the Board of Directors Garodia Chemicals Limited	
SD/- Milind K. Mehta Membership No. 47739	Mahesh Garodia SD/- DIN: 01250816	Kunal Nalin Naik SD/- DIN: 02689478

Date: 30-05-2015

Place: Mumbai

8 Tangible Fixed Assets

Sr. No.	Particulars	<u>GROSS BLOCK</u>			<u>DEPRECIATION</u>			<u>NET BLOCK</u>			
		As at 01/04/2014	Additions during the year	Sales / Ded.n during the year	As at 3/31/2015	Upto 3/31/2014	Adjusted on during the w/back sale	Provided Year	Upto 3/31/2015	As At 3/31/2015	As At 3/31/2014
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	Free Hold Land	1091831			1091831			0		1091831	1091831
2	Building	35378535			35378535	20533298		1121500	21654798	13723737	14845237
3	Plant & Machinery	75351438			75351438	75351438			75351438	0	0
4	Office Equipment	203870			203870	192399		11471	203870	0	11471
4	Furniture, Fixture	1021495			1021495	1021495			1021495	0	0
5	Vehicles	301000			301000	301000			301000	0	0
TOTAL :		113348169	0	0	113348169	97399630	0	1132971	98532601	14815568	15948539
PREVIOUS YEAR :		113348169			113348169	96218887		1180743	97399630	15948539	

RELATED PARTY DISCLOSURE

In terms of provisions of 'AS 18 - Related party Transactions' the following disclosures are under:

A. List of Related Parties

Shri Mahesh Garodia (Director)

Shri Nishant Garodia (Individual having significant influence)

Garodia Sons Pvt. Ltd. (Enterprises over which significant influence is exercised by Directors)

Gordhandas Garodia (Individual having significant influence)

P. G. Trust (Enterprises over which significant influence is exercised by Directors)

Axis Ventures (Enterprises over which significant influence is exercised by Directors)

Disclosure of Related party Transactions between the Company and related parties for the year ended March 31,2015

Particulars	As At	As At
	31 March 2015	31 March 2014
	(Amount in Rs.)	(Amount in Rs.)
Shri Mahesh Garodia	52176909	15957909
Shri Nishant Garodia	719328	719328
Garodia Sons Pvt. Ltd.	109126	109126
Gordhandas Garodia	100000	100000
P. G. Trust	20000	20000

Transactions during the year

Particulars	As At	As At
	31 March 2015	31 March 2014
	(Amount in Rs.)	(Amount in Rs.)
Shri Mahesh Garodia	36219000	571500

FOR M.K. MEHTA & CO.	On behalf of the Board of Directors Garodia Chemicals Limited	
SD/- Milind K. Mehta Membership No. 47739	Mahesh Garodia SD/- DIN: 01250816	Kunal Nalin Naik SD/- DIN: 02689478

Date: 30-05-2015

Place: Mumbai

DIRECTORS' REPORT

To,
The Members
Garodia Chemicals Limited,

Your Directors presenting their Annual Report on the business and operations of the Company and statement of accounts for the year ended 31st March, 2015.

Financial Summary/Highlights

During the financial year, the performance of the Company is as under:

Particulars	(Rs. In Lakhs)	
	2014-15	2013-14
Total Income	-	-
Profit / (Loss) before Tax	(184.96)	(17.79)
Less: Provision for Tax	-	-
Profit after Tax	(184.96)	(17.79)
Add : Balance brought forward	(1740.64)	(1722.85)
Surplus carried forward	(1925.60)	(1740.64)

Overview of Company's Financial Performance

In view of heavy losses accrued over the years & the Company's activities have come to a stand still.

Transfer to reserves

During the financial year, the Company did not transfer any amount to reserve.

Dividend

Considering the fact, that the Company has suffered a loss, your Directors have decided not to recommend any dividend on the equity shares for the year ended March 31, 2015.

Change in the nature of business

There was no change in the nature of business of the Company during the financial year.

Public Deposits

During the financial year 2014-15, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

Subsidiaries, Associate and Joint venture Companies

As on March 31, 2015, the Company does not have any Subsidiary Company, Associate Company and joint venture Company.

Directors and Key Managerial Personnel

Mr. Mahesh Garodia (DIN-01250816), Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. Your Directors recommend his re-appointment.

The Nomination and Remuneration Committee of the Board of Directors ('Board') had recommended to the Board, appointment of Mrs. Menka Jha (DIN-06950148) as Additional Woman Director of the Company. The Board on recommendation of said committee had accorded their approval for appointment of Mrs. Menka Jha as Additional Woman Director of the Company w.e.f. 26th February, 2015 in accordance with the applicable provisions and rules of the Companies Act, 2013.

Mrs. Menka Jha (DIN-06950148) has resigned from the Directorship w.e.f. 31st August, 2015. The Board has accepted her resignation and has placed on record sincere appreciation towards her contribution made by her during her association with the Company.

Declaration by independent directors

The Company has received necessary declaration from each independent director under Section 149 (7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

During the financial year, there were no such orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

Adequacy of Internal Financial Control

The Board is in the process for adoption of policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding the assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosure.

Composition of Audit Committee

The Audit Committee comprises of three Directors. Composition of the Audit Committee during the financial year 2014-2015 is as follows:

Sr. No.	Name of the Committee Members	Designation
1	Mr. Kunal Naik	Chairman
2	Mr. Mahesh Garodia	Member
3	Mr. Brian Fernandes	Member

There were no matters during the financial year 2014-2015, wherein the Board did not accept recommendations given by the Audit Committee.

Establishment of Vigil Mechanism

The Company has established and adopted Vigil Mechanism and the policy (**Whistle Blower Policy**) thereof for directors and employees of the Company in accordance with the provisions of Companies Act, 2013 as well as listing agreement. During the year under review, no personnel of the Company approached the Audit Committee on any issue falling under the said policy. The vigil mechanism policy is available on the website of the company at link www.gchem.co.in

Particulars of remuneration to employees

Pursuant to the provisions of section 197 of the Companies Act, 2013, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of employees are required to be provided in the Directors' Report. However, having regard to the provisions of section 136 of the Companies Act, 2013, the Annual Report, excluding the aforesaid particulars, is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining these particulars will be provided with the same upon receipt of a written request delivered at the Registered Office of the Company

Management Discussion and Analysis

The Management Discussion and Analysis forms part of the Directors' Report is annexed herewith as 'Annexure A'.

Corporate Governance Report

As required by clause 49 of the Listing Agreement with the Stock Exchange (s), a report on Corporate Governance and a certificate confirming compliance with requirement of Corporate Governance forms part of this Annual Report as in 'Annexure -B'.

Auditors:

a) Statutory Auditors

The Company's Auditors, M/s. Milind K. Mehta & Co., Chartered Accountants (Registration No. 129664W) hold office up to the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received letter from them giving their consent to act as Auditors of the Company and stating that their re-appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013. Your Directors recommend their re-appointment from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

b) Secretarial Auditor

CS Rakesh Kapur, Practicing Company Secretaries, was appointed to conduct the secretarial audit of the Company for the financial year 2014-2015, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for financial year 2014-2015 forms part of the Directors Report as ‘**Annexure C**’ to the Board's report.

Explanations by the Board on qualification, reservation or adverse remark or disclaimer made by the

• **Auditors in their report**

Sr. No.	Observation	Reply to the observation
Please refer to the Note No. 20 of the Notes to accounts and Point No. of 7.1 of the Auditors Report	Non - provision of Interest expenses on loans and borrowings taken from IDBI (now taken over by Aaskha Holdings Pvt Ltd)	In view of the heavy accumulated losses and suspension of the manufacturing activities for the last almost 5 years, resulting in non-generation of the cash profit for the repayment of interest to the financial institution and the company is in the process of getting an legal opinion as to how to come out of the crisis being faced by the company as on date.

Employees Stock Option Scheme (ESOS)

Your Company has not issued any shares to the employees of the Company under the Employee Stock Option Scheme in the previous financial year.

Corporate Social Responsibility:

The Company is not falling in any criteria as mentioned in Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Act. Hence, provisions of CSR is not applicable to the Company.

Extract of Annual Return

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual return in the prescribed format is annexed herewith as ‘**Annexure D**’ to the Board's report.

Number of Meetings of the Board

During the financial year, 10 (Ten) Board Meetings and 4 (Four) Audit Committee Meetings were held the details of which are given in the Corporate Governance Report forming part of the Annual Report.

Directors’ Responsibility Statement

Pursuant to the requirement of Section 134(3)(c) of the Companies Act 2013, with respect to the Directors’ Responsibility Statement, it is hereby confirmed:

- a) that in the preparation of the accounts for the financial year ended on 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures,
- b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit/ loss of the Company for the year ended on that date;
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the Directors had prepared the accounts for the financial year ended on 31st March, 2015 on a 'going concern' basis.
- e) that Directors are in process for adoption adequate financial controls and also ensure that financial controls will be adequate and operate effectively.
- f) that Directors had devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Policy on Directors' appointment and remuneration

Policy for Selection and Appointment of Directors and their Remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is annexed as 'Annexure E' to the Board's report.

Particulars of loans, guarantees or investments under Section 186

During the financial year 2014-2015, there are no such transactions transacted by the Company and hence particulars of details of loans, guarantee, security or investments covered under Section 186 of the Companies Act, 2013 are not required to be furnished.

Particulars of contracts or arrangements made with related parties

There were no contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act 2013 during the financial year 2014-2015.

Material changes and commitments affecting financial position between the end of the financial year and date of report

There are no material changes and commitments affecting financial position between the end of the financial year and date of Boards Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

A. Conservation of Energy:

Steps taken or impact on conservation of energy	Due to heavy losses during the year the Company has not spent any substantial amount on Conservation of Energy to be disclosed here.
Steps taken by the company for utilizing alternate sources of energy	
Capital investment on energy conservation equipments	

B. Technology Absorption

- **Efforts made towards technology absorption:** Considering the nature of activities of the Company, there is no requirement with regard to technology absorption.
- **Benefits derived as a result of the above efforts:** Since the Company did make any technology absorption there was no benefits derived from the same.
- **In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):** no new technology has been imported during the year.
 - a) the details of technology imported: Not Applicable
 - b) the year of import: Not Applicable
 - c) whether the technology been fully absorbed: Not Applicable
 - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable
- **Expenditure Incurred on Research and Development:** The Company did not spend any money on Research and Development.

C. Foreign exchange earnings and outgo

There was no Foreign Currency earning & expenditure during the year.

Risk Management Policy and Compliance Framework

Risk Management policy of the Company has been developed and implemented, recommended by the Audit Committee and approved by Board of Directors in their Meeting held on 26th March, 2015. In the opinion of the board the below given risks may threaten the existence of the Company:

External Risk Factors

- a. Economic Environment and Market conditions
- b. Political Environment
- c. Competition
- d. Technology

Internal Risk Factors

- a) Contractual Compliance
- b) Environmental Management
- c) Human Resource Management

Board Evaluation

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule -IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the corporate governance report section in this Annual Report.

Acknowledgment:

Your Directors would like to express their grateful appreciation for the assistance, support and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review. Your Directors would also like to take this opportunity to express their appreciation to the dedicated and committed employees of the Company towards the achievement of short term and long term goals of the Company.

On behalf of the Board of Directors Garodia Chemicals Limited	
Mahesh Gordhandas Garodia SD/- DIN: 01250816 Address: Namakwala, M. G. Road, Ghatkopar (East), Mumbai, 400077	Kunal Nalin Naik SD/- DIN: 02689478 Address: H.No. Ii-43 Plot 65 New Vasant Apt., 4th Road Garodia Nagar, Ghatkopar, 400077

Place: Mumbai

Date: 01/09/2015

INDEPENDENT AUDITORS' REPORT

To,
The Members,
Garodia Chemicals Limited
149/156, Garodia Shopping Centre,
Garodia Nagar, Ghatkopar (East),
Mumbai – 400 077

Report on the Financial Statements:

1. We have audited the accompanying financial statements of Garodia Chemicals Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements :

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

Auditor’s Responsibility:

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Companies Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Companies 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 Companies 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.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

7. Basis for Qualified Opinion:

7.1 Attention is drawn to Note No. 20 of Notes on Financial Statements which is reproduced :

“In view of heavy accumulated losses and suspension of the manufacturing activities no provision has been made for the interest payable on term loan facilities granted by IDBI and now taken over by Aaskha Holdings Pvt Ltd. The estimated amount of interest payable till 31st March, 2015 works out to Rs.16,56,66,039/- (previous year Rs.144830392/-). The company is pursuing the matter for one time settlement including waiver of interest. Balances of loans and interest payable are subject to confirmation.”

7.2 The non-provision of interest of Rs. 16,56,66,039 referred to in para 7.1 the loss for the year is understated by Rs. .16,56,66,039/- and similarly the liability is understated by Rs. 16,56,66,039/-

7.3 Attention is drawn to Note No. 21 of Notes on Financial Statements which is reproduced:

“Financial statements have been prepared in accordance with the fundamental accounting assumption that the company is a going concern.”

The above being intention of the management for continuation of the business and the technicalities involved therein, we are unable to express any opinion on the above.

Opinion:

8. .In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in para 7- the basis for Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Companies 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, 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
10. As required by section 143(3) of the Companies 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. Except for the/possible effects of the matters described in para 7- the basis for Qualified Opinion paragraph ,in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies 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, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Companies Act.
 - f. With respect to the other matters in terms of Rule 11 of Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

**For M.K. MEHTA & CO,
CHARTERED ACCOUNTANTS,
(Registration No. 129664W)
Sd/-
(M.K. MEHTA)
PROPRIETOR
MEMBERSHIP NO.47739
PLACE: MUMBAI
DATE: 30th May, 2015**

Re. : Garodia Chemicals Limited
Annexure to the Independent Auditors' Report
(Referred to in Paragraph 9 of Our Report of Even Date)

- (i) (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets. Attention is drawn to note no. 18 of the Notes on Financial Statements.
- (b) As per the information and explanations given to us, these fixed assets have not been physically verified by the management. In view of the same, we do not offer any comment on any material discrepancy which may be noticed on physical verification.
- (ii) (a)to(c) As per the information and explanations given to us, the company has made full provision for the diminution in the value of inventory. Hence no further comments are given in relation to the same.
- (iii) (a),(b) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act;
- As the company has not granted any Loans, the clauses iii(a) and iii(b) of Para 3 of the Order are not applicable to the company;
- (iv) The Company has not made any transactions relating to purchase of inventories, fixed assets and sale of goods and services during the year under reference. Hence, clause (iv) of Para 3 of the Order is not applicable to the company.
- (v) The Company has not accepted any deposits from the public. Hence, clause (v) of Para 3 of the Order is not applicable to the company.
- (vi) In view of the suspension of the manufacturing operations, the cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, have not been made and maintained by the company.
- vii) a) According to the records of the company, the company is regular 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 whichever is applicable. According to the information and explanations given to us, there were no undisputed statutory dues which have remained outstanding as at 31st March, 2015 for a period more than six months from the date they became payable;
- b) There are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess payable by the company which have not been deposited on account of any dispute pending before any authorities;

- c) As per the records of the company, there is no amount which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- viii) According to the information and explanations given to us, the accumulated losses as at 31st March, 2015 are exceeding the net worth of the company and it has incurred cash losses during the year under reference and in the immediately preceding financial year.
- ix) As per the information and explanations given to us, the company has defaulted in repayment of dues to the financial institutions / banks. Attention is drawn to Note No. 20 of “Notes on Financial Statements”.
- (x) As per the information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions. Hence, clause (x) of Para 3 of the Order is not applicable to the company.
- (xi) As per the information and explanations given to us, the company has not raised any term loans during the year. Hence, clause (xi) of Para 3 of the Order is not applicable to the company.
- (xii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year under reference.

**For M.K. MEHTA & CO,
CHARTERED ACCOUNTANTS,
(Registration No. 129664W)
Sd/-
(M.K. MEHTA)
PROPRIETOR
MEMBERSHIP NO.47739
PLACE: MUMBAI
DATE: 30th May, 2015**

Annexure-A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY STRUCTURE & DEVELOPMENTS:

Garodia Chemicals Limited is the manufacturer of chemicals. The Company has heavy accumulated losses due to hefty competition from China Market and has also suspended the manufacturing activities. Because of which your Company could not do anything, but to wait for the market and other conditions to revive.

2. OPPORTUNITIES & THREATS:

Due to the heavy competition and hefty losses, the Company has stopped its manufacturing activities and closed its plant as well. The Company is now waiting for an opportunity to make good all the losses and restart its manufacturing activities.

3. SEGMENT REPORTING & OUTLOOK:

This reporting does not apply to the Company since your Company has revenues/losses coming from only one segment. The management of the Company is planning to come out of this situation.

4. RISKS AND CONCERNS:

All the promises which management is making, depends on the strength of the shareholders and the confidence, which they have bestowed on the management. There were many complaints received by us from the shareholders, but the Company has now complied with all the compliances and all complaints of shareholders were solved.

5. INTERNAL CONTROL SYSTEM & ADEQUACY:

The Board is in the process for adoption of policies and procedures for ensuing the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding the assets, the prevention and detention of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosure.

6. DISCUSSION ON FINANCIAL PERFORMANCE:

The company had incurred huge losses and financial liabilities, however is confident to come out of all the problems and will try to restart its manufacturing activities in near future.

7. HUMAN RESOURCES / INDUSTRIAL RELATIONS:

The relation between the employees and the Company remained cordial throughout the year.

Annexure-B

CORPORATE GOVERNANCE REPORT (Pursuant to Clause 49 of the Listing Agreement)

1. Corporate Governance Philosophy

The Company believes in adopting the Best Global Practices in the area of Corporate Governance and follows the principles of full transparency and accountability, thereby protecting the interest of all the stakeholders. The Board considers itself a Trustee of all Shareholders & acknowledges its responsibilities to the Shareholders for creating & safeguarding Shareholder's Wealth. During the year under review, the Board continued its pursuit of achieving these objectives through the adoption and monitoring of corporate strategies, prudent business plans, monitoring of major risks of the Company's business and ensuring that the Company pursues policies and procedures to satisfy its legal & ethical responsibilities.

2. Board of Directors

A) Composition:

In terms of the Company's Corporate Governance Policy, all statutory and other significant material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company.

The Board of the Company is a balanced Board, comprising of only Non-Executive Directors. The Board of Directors in their meeting held on 26-02-2015 appointed Mrs. Menka Jha holding DIN 06950148 as Woman (Non- Executive & Independent) Director of the Company w.e.f. 26-02-2015

The following is the composition of the Board as on 31-03-2015:-

Category	Number of Directors	Percentage of Total Number of Directors
Non-executive Director	1	25
Independent Director	3	75
Total	4	100

The Company has thus complied with the requirement of having at least half of the Board members comprising of Independent and Non-executive Directors.

Director	Designation	Category	Particulars of other Directorship, Committee Memberships/ Chairmanships		
			*Other Directorships	#Committee Memberships	#Committee Chairmanships
Non-Executive Directors					
Mr. Mahesh Garodia	Chairman	Non Executive & Promoter	1	3	3
Mr. Kunal Naik	Director	Independent	1	0	0
Mr. Brian Fernandes	Director	Independent	0	0	0
Mrs. Menka Jha	Director	Independent	2	0	0

B) Meetings and Attendance:

During the financial year ending on 31-03-2015, ten meetings of the Board of Directors were held as follows and gap between two meetings were well within a period of 120 days :-

Sr. No.	Date of Board Meeting	Board Strength	Number of Directors Present
1.	30 th May 2014	3	3
2.	14 th August 2014	3	3
3.	13 th November 2014	3	3
4.	27 th December, 2014	3	3
5.	09 th February 2015	3	3
6.	26 th February 2015	4	4
7.	04 th March 2015	4	4
8.	05 th March 2015	4	4
9.	16 th March, 2015	4	4
10.	19 th March, 2015	4	4

The attendance at the Board Meetings and at the Annual General Meeting (AGM) during the financial year is as follows:-

Sr. No.	Name of Director	Number of Board Meetings attended	Attendance at the last AGM
1	Mr. Mahesh Garodia	10	Yes
2	Mr. Kunal Naik	10	Yes
3	Mr. Brian Fernandes	10	Yes
4	Mrs. Menka Jha*	5	NA

* The Board of Directors in their meeting held on 26-02-2015 appointed Mrs. Menka Jha holding DIN – 06950148

C) Directors Remuneration:

There was no remuneration including sitting fees given to any Director of the Company for the Financial year 2014-15.

No commission was paid to any Non-Executive Director during F.Y. 2014-15

D) Code of Conduct

The Company has laid down a Code of Conduct for Board Members and Senior Management Personnel of the Company, which has also been posted on the web site www.gchem.co.in. The Company has received from all its Directors and Senior Management personnel affirmation of compliance with the Code of Conduct for the year ended 31-03-2015.

Duties of Independent Directors:

The duties of Independent Directors of the Company, as laid down under Schedule IV to the Companies Act, 2013, are incorporated herein pursuant to Clause 49 of the Listing Agreement with Stock Exchanges. It shall be the duty of Independent Directors to:

- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- strive to attend all meetings of the Board of Directors and of the Board Committees of which they are a member;
- participate constructively and actively in the Board Committees in which they are chairpersons or members;
- strive to attend the general meetings of the Company;
- ensure, where they have concerns about the running of the Company or a proposed action, that these are addressed by the Board of Directors;
- keep themselves well informed about the Company and the external environment in which it operates;
- not to unfairly obstruct the functioning of an otherwise proper Board or Board Committee;
- pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct;
- act within their authority and assist in protecting the legitimate interests of the Company, shareholders and its employees;
- not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans and unpublished price sensitive information, unless such disclosure is expressly approved by the Board of Directors or required by law.

3. COMMITTEES OF THE BOARD

Currently, there are three Committees of the Board such as Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee.

The terms of reference to the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the respective Committee Chairman. The minutes of the Board Committee meetings are placed for information and noting of the Board.

A. Audit Committee

(i) Brief description of Terms of Reference:

The roles, powers and functions of Audit Committee specified by the Board are in conformity with the requirements of clause 49 of the Listing Agreement as well as Section 177 of the Companies Act, 2013. Terms of reference of the Committee includes inter alia;

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure correctness, sufficiency and credibility of the Company's Financial Statements.
2. Recommending to the Board, the appointment and removal of external and internal auditors and fixation of their remuneration.
3. Approving the payments to statutory auditors for other services rendered by them.
4. Reviewing with the management and external auditors, annual financial statements and results and auditors' report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of section 134 of the Companies Act, 2013 .
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
5. Reviewing the adequacy of internal control systems with the management, discussion with internal auditors, significant findings and follow up on them.
6. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.

7. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
8. Review and monitor the independence and performance and effectiveness of audit process.
9. Approval or any subsequent modification of transactions of the company with related parties.
10. 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.
11. Reviewing findings of internal investigations by the Internal Auditors into matters like suspected frauds / irregularities / failures of internal control systems of material nature and reporting to the Board thereon.
12. Discussing pre audit discussion about nature and scope of statutory audit and post audit discussion on areas of concern.
13. Discuss with Internal Auditors any significant finding and follow up thereon.
14. To look into the reasons for substantial defaults in the payment to the debenture holders, shareholders (in case of non –payment of declared dividends) and creditors. .
15. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
16. Reviewing issues related to risk management and compliances.
17. Reviewing financial statements, including Investments in subsidiary Companies.
18. Reviewing the functions of the Whistle Blower mechanism.
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
20. Scrutiny of Inter-Corporate loans & investments.

ii) Composition of the Committee, Name of the members and the Chairman and Attendance:

The Audit Committee comprises of three Non-Executive Directors, majority of who are Independent Directors. The Chairman and other Members of the Committee are having ability to read and understand financial statement. Besides, all members have knowledge of finance, accounting and law. Composition of the Audit Committee during the year 2014-15 and status of the attendance of the members was as follows:

Name of the Director	Position	No. of Meetings held during the year	No. of Meetings attended
Mr. Kunal Naik	Chairman and Non Executive Director	4	4
Mr. Brian Fernandes	Non Executive Director	4	4
Mr. Mahesh Garodia	Non Executive Director	4	4

iii) Meetings of the Audit Committee:

The Audit Committee met 4 times during the financial year 2014-15 i.e. on 30-05-2014, 14-08-2014, 13-11-2014 and 09-02-2015. The maximum time gap between two meetings was not more than 120 days. Necessary quorum was present at all the meetings of the Committee held during the year under review.

The former Chairman of the Audit Committee Mr. Kunal Naik, was present at the previous Annual General Meeting held on 29-09-2014, and replied to the shareholder's queries.

B) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee is constituted pursuant to Section 178 of Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges, to fix compensation / remuneration for Managing / Whole-time Directors, KMP and relative of Directors.

i) Terms of Reference:

The Nomination and Remuneration Committee is empowered to determine, inter-alia, include the following:

1. Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management employees and their remuneration.
2. Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria
3. Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions
4. Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

ii) Composition, Name of the Member, Chairperson and Attendance at Meetings:

The Nomination and Remuneration Committee comprises of three Directors. The Chairman of the Committee is a Non-Executive and Independent Director. The details of names of members and Chairman of the Nomination and Remuneration Committee along with status of attendance are as under:

Name of the Directors	Position	No. of Meetings held during the year	No. of Meetings attended
Mr. Brian Fernandes	Chairman and Non Executive Director	2	2
Mr. Kunal Naik	Non Executive Director	2	2
Mr. Mahesh Garodia	Non Executive Director	2	2

The Committee met 2 times during the financial year 2014-15 on 25-02-2015 and 04-03-2015.

III) POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and WTD and their remuneration. This Policy is accordingly derived from the said Charter.

1. Criteria of selection of Non Executive Directors

- a. The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- b. In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- d. The N&R Committee shall consider the following attributes / criteria, while recommending to the Board the candidature for appointment as Director.
 - (i) Qualification, expertise and experience of the Directors in their respective fields;
 - (ii) Personal, Professional or business standing;
 - (iii) Diversity of the Board.
- e. In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

REMUNERATION POLICY

The Committee has formulated and recommended to the Board of Directors of the Company, a Nomination and Remuneration Policy thereby annexed in 'Annexure E' which was approved by the Board of Directors of the Company in its meeting held on 05-03-2015.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of all its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

(C) Stakeholders Relationship Committee

(i) Composition and Status of the Attendance:

The Company has a Stakeholders Relationship Committee. The Committee is headed by Mr. Brian Fernandes, an Independent - Non-Executive Director and comprises of the following members in the financial year 2014-15 :

Name of the Directors	Position	No. of Meeting held during the year	No. of Meeting attended
Mr. Brian Fernandes	Chairman and Non Executive Director	4	4
Mr. Kunal Naik	Non Executive Director	4	4
Mr. Mahesh Garodia	Non Executive Director	4	4

The Committee met 4 times during the financial year 30-05-2014, 14-08-2014, 13-11-2014 and 09-02-2015.

(ii) Terms of Reference:

Terms of Reference of the Committee are in line with Companies Act, 2013 and the Listing Agreement to specifically include the redressal of grievances of shareholders, debenture holders and other security holders and resolving their grievances including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.

(iii) Name and designation of Compliance Officer:

Mr. Mahesh Garodia has been appointed as Compliance Officer and can be contacted on the following address:

Address	Telephone Number	Fax Number	Email-id.
149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (East), Mumbai 400 07	91-22-67983683	91-22-66716149	accounts@garodia.com

(iv) Complaints/request received from Shareholders during the period 1st April 2014 to 31st March 2015 and its status:

- During the financial year 2014-2015, no complaints were received from shareholders of the Company.
- During the year there were no pending complaints of shareholders.

D) CSR Committee:

The Company is not falling in any criteria as mentioned in Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Act. Hence, provision of CSR is not applicable to the Company

4. DISCLOSURES:

(a) Disclosure on Related Party Transactions:

There were no new contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act 2013 during the financial year 2014-2015. The Board has approved a policy for related party transactions which has been uploaded on the Company website www.gchem.co.in

The Company has ensured necessary compliance with the requirements of the Stock Exchange, SEBI and other authorities related to capital market and thus the details of non-compliance and penalties are not applicable.

(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities or any matter related to capital markets during the last three years:

During last three years, no penalties were imposed on the Company except the penalty levied by Bombay Stock Exchange (BSE) for revocation of suspension of trading of shares of the Company.

(c) Whistle Blower policy and affirmation that no personnel has been denied access to the audit committee:

The Company has adopted the Whistle Blower Policy and placed it on the website of the Company. During the period under review, no personnel of the Company approached the Audit Committee on any issue falling under the said policy.

(d) Details of compliance with the mandatory requirements and adoption of the non-mandatory requirements of this clause:

The Company has complied with all the mandatory requirements as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges. The Chairman of the Audit Committee Mr. Kunal Naik, was present at the previous Annual General Meeting, and replied to the shareholder's queries. Further the Company has not adopted non-mandatory requirement of Clause 49 of the listing agreement.

6. GENERAL BODY MEETINGS

The Annual General Meetings (AGMs) of the Company have been held at the registered office of the Company at 149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (East), Mumbai 400 077 in the last three years at the time and date given below:

Year	Day & Date & Time	Special Resolution passed
2011-12	29th September, 2012 at 11.00 a.m	There was no special resolution passed at the meeting
2012-13	30th September, 2013 at 11.00 a.m.	There was no special resolution passed at the meeting
2013-14	30th September, 2014 at 11.00 a.m.	1. To adopt new set of Articles of Association of the Company 2. To authorize the Board to borrow money 3. To authorize the Board to mortgage / charge all or any of the immovable and movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company

No resolution was passed through postal ballot last year.

Extra Ordinary General Meeting (EGM):

The Company did not held any EGM during the financial year 2014-2015

7. MEANS OF COMMUNICATION

- The quarterly, half-yearly and annual financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors through email and subsequently submission of hard copies to the stock exchange. The Annual report is also posted to all shareholders.

- Newspapers wherein results normally published: Apla Mahanagar and The Financial Express
- The official news releases whenever made by the Company are immediately forwarded to stock exchanges before publication. They are also displayed on the website of the Company.

8. GENERAL SHAREHOLDERS' INFORMATION

(a) Particulars of ensuing Annual General Meeting:

Venue	149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (East), Mumbai 400 077
Time	10. 00 A.M.
Day	Monday
Date	28.09.2015
Financial Year ended	31 st March 2015
Book Closure Dates	21-09-2015 to 28-09-2015 (both day inclusive)
Dividend Payment Date	No Dividend declared

(b) **Financial year:** 1st April, 2014 to 31st March, 2015

(c) Stock Exchanges where shares are listed:

Name and address of the stock exchange	Stock Code/Symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400 001	530161

(d) Stock Market data:

Monthly high and low quotations of the Company's shares on BSE during the financial year 2014-2015 are as follows.

Month	BSE Monthly Price (Rupees)	
	High	Low
April,2014	46.10	46.10
May, 2014	48.00	45.60
June, 2014	48.00	45.60
July, 2014	48.00	45.60
August, 2014	48.00	45.60
September, 2014	43.35	43.35
October, 2014	43.35	43.35
November, 2014	43.35	43.35

Month	BSE Monthly Price (Rupees)	
December, 2014	41.20	41.20
January, 2015	39.15	37.20
February, 2015	35.35	33.60
March, 2015	35.35	33.60

(Source: www.bseindia.com)

(e) Registrar and Transfer Agents:

M/s. Link Intime India Pvt Ltd.

(formerly Intime Spectrum Registry Limited)

C-13, Pannalal Silk Mills Compound,

L. B. S. Marg, Bhandup West, Mumbai – 400 078

Tel: +91 22 25946970

Fax: +9122 2594 6969

E-mail: rnt.helpdesk@linkintime.co.in

(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	17700	1584400	1602100	22.2508	63500	1541800	1605300	22.2952	0.0444
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	188700	188700	2.6208	19800	188700	208500	2.8958	0.2750
(c)	Any Other (Specify)									
	Directors & their Relatives & Friends	0	89200	89200	1.2389	0	89200	89200	1.2389	0.0000
	Clearing Member	0	0	0	0.0000	100	0	100	0.0014	0.0014
	Non Resident Indians (Repat)	0	644500	644500	8.9511	0	618500	618500	8.5900	-0.3611
	Sub Total (B)(2)	17700	2595400	2613100	36.2920	86200	2526800	2613000	36.2907	-0.0014
	Total Public Shareholding(B)=(B)(1)+(B)(2)	17700	3548100	3565800	49.5236	86200	3479500	3565700	49.5222	-0.0014
	Total (A)+(B)	17700	7182500	7200200	100.0000	86200	7114000	7200200	100.0000	0.0000
(C)	Shares held by custodians and against which depository receipts have been issued									
[1]	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	17700	7182500	7200200	100.0000	86200	7114000	7200200	100.0000	0.0000

(h) Dematerialization of shares and liquidity

Details	No. of shares	% of Share Capital
Nationalized Securities Depository Ltd.	0	0
Central Depository Services(India) Ltd.	86200	1.20 %
Total dematerialized	86200	1.20 %
Physical	7,114,000	98.80%
Total	7,200,200	100%

(i) Outstanding Employee Stock Options, GDRs, ADRs, etc

The Company has not issued any GDRs/ADRs/Warrants. There are no outstanding Foreign Currency Convertible Bonds (“FCCBs”) and Employee Stock Options.

(j) Plant Location: The Company has only one plant situated at:
Patalganga, District Raigad, Village Kaira, Taluka Khalapur Maharashtra

(k) Address for Investor Correspondence

Sr. No.	Particular	Address
1.	Registrar & Transfer Agents : M/s. Link Intime India Pvt Ltd,	C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup West, Mumbai – 400 078 Tel: +91 22 25946970 Fax: +91 22 25946969 E-mail: rnt.helpdesk@linkintime.co.in
2.	Registered office of the Company	149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (East), Mumbai 400 077

CEO/ CFO Certification and Compliance Certificate on Corporate Governance:

Pursuant to **Circular No** CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014, Compliance of revised Clause 49 of the Listing agreement is not mandatory for the Company. Hence, the Company has not obtained the CEO/CFO certification and Compliance Certificate on Corporate Governance from the Auditor /Company Secretary in Practice as per the provisions of revised Clause 49 of the Listing agreement

DECLARATION UNDER CLAUSE 49 II (E) OF THE LISTING AGREEMENT

As provided under Clause 49 of the Listing Agreement with the BSE Limited, the Board Members and the Senior Management Personnel have confirmed compliance with the code of Conduct for Board of Directors and Senior Management for the year ended March 31, 2015.

By Order of the Board of Directors

Garodia Chemicals Limited,

SD/-

Mahesh Garodia

Director and Compliance Officer

DIN: 01250816

Add: Namakwala, M. G. Road, Ghatkopar (East), Mumbai- 400077

Date: 01-09-2015

Place: Mumbai

Annexure-C

FORM NO. MR-3

Secretarial Audit Report

For The Financial Year Ended 31.03.2015

**[Pursuant To Section 204(1) Of The Companies Act, 2013 And Rule No.9 Of The Companies
(Appointment And Remuneration Personnel) Rules, 2014]**

To,
The Members,
M/S. Garodia Chemicals Limited
149/156, Garodia Shopping Centre
Garodia Nagar, Ghatkopar (East),
Mumbai, Maharashtra: 400077
India

AUTHORISED CAPITAL RS. 100,000,000/-
CIN: L9999MH1993PLC070321

I, CS Rakesh Kapur , Practising Company Secretary, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. GARODIA CHEMICALS LIMITED, MUMBAI CIN: L9999MH1993PLC070321** (hereinafter called the company).

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the M/s. Garodia Chemicals Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2015 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Garodia Chemicals Limited ("the Company") for the financial year ended on 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 and the Companies Act, 1956 (to the extent applicable) 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 Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The Company has not received any disclosure under Regulation 29 and 30.
 - (b) The Company has complied with The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
However, the Company has adopted the prescribed code of conduct under the Regulations.
 - (c) 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;
- (vi) As informed to me the following other Laws specifically applicable to the Company as under:
 1. The Negotiable Instruments Act, 1881
 2. The Water (Prevention and Control of Pollution) Act 1974
 3. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- (i) Secretarial Standards relating to General and Board Meeting Minutes issued by The Institute of Company Secretaries of India, New Delhi.
- (ii) The Listing Agreements entered into by the Company with M/s. Bombay Stock Exchange Limited, Mumbai.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations by us against each legislation.

In respect of other laws specifically applicable to the Company, I have relied on information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

I further report that The Board of Directors of the Company is duly constituted with Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions of the board were unanimous and the same was captured and recorded as part of the minutes.

I further report that there is scope to improve the systems and processes in the company and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no instances of:

- a. Public/Right/Preferential issue of shares / debentures/ sweat equity.
- b. Redemption / buy-back of securities
- c. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- d. Merger / amalgamation / reconstruction, etc.
- e. Foreign technical collaborations

Sd/-
CS Rakesh Kapur
FCS No. 3863
C P No.: 12085

Place: Mumbai
Date: 30.05.2015

Annexure-D

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2015**

[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:

i)	CIN	L99999MH1993PLC070321
ii)	Registration Date	06/01/1993
iii)	Name of the Company	Garodia Chemicals Limited
iv)	Category / Sub-Category of the Company	Company having share capital
v)	Address of the Registered office and contact details	149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar East, Mumbai- 400077 Contact : 022-67983683 Fax: 022-66716149 Email: gclshares@gmail.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhadup (W), Mumbai- 400 078 Tel No. 022 2594 6970

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Comm. Trading & Distribution	2011	Unfortunately the Company could not do any business during the year.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES–

The Company does not have any holding, subsidiary or associate company

IV. SHAREHOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2014				Shareholding at the end of the year - 2015				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	0	3023300	3023300	41.9891	0	3023400	3023400	41.9905	0.0014
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Bodies Corporate	0	611100	611100	8.4873	0	611100	611100	8.4873	0.0000

(d)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(1)	0	3634400	3634400	50.4764	0	3634500	3634500	50.4778	0.0014
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	0	3634400	3634400	50.4764	0	3634500	3634500	50.4778	0.0014
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Financial Institutions / Banks	0	100	100	0.0014	0	100	100	0.0014	0.0000
(c)	Central Government / State Government(s)	0	952600	952600	13.2302	0	952600	952600	13.2302	0.0000
(d)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Foreign Institutional Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(g)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Any Other (Specify)									
	Sub Total (B)(1)	0	952700	952700	13.2316	0	952700	952700	13.2316	0.0000

[2]	Non-Institutions									
(a)	Bodies Corporate									
(i)	Indian	0	88600	88600	1.2305	2800	88600	91400	1.2694	0.0389
(ii)	Overseas	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	17700	1584400	1602100	22.2508	63500	1541800	1605300	22.2952	0.0444
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	188700	188700	2.6208	19800	188700	208500	2.8958	0.2750
(c)	Any Other (Specify)									
	Directors & their Relatives & Friends	0	89200	89200	1.2389	0	89200	89200	1.2389	0.0000
	Clearing Member	0	0	0	0.0000	100	0	100	0.0014	0.0014
	Non Resident Indians (Repat)	0	644500	644500	8.9511	0	618500	618500	8.5900	-0.3611
	Sub Total (B)(2)	17700	2595400	2613100	36.2920	86200	2526800	2613000	36.2907	-0.0014
	Total Public Shareholding(B)=(B)(1)+(B)(2)	17700	3548100	3565800	49.5236	86200	3479500	3565700	49.5222	-0.0014
	Total (A)+(B)	17700	7182500	7200200	100.0000	86200	7114000	7200200	100.0000	0.0000
(C)	Shares held by custodians and against which depository receipts have been issued									
[1]	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	17700	7182500	7200200	100.0000	86200	7114000	7200200	100.0000	0.0000

(ii) Shareholding of Promoters

Sr No	Shareholder's Name	Shareholding at the beginning of the year - 2014			Shareholding at the end of the year - 2015			% change in shareholding during the year
		NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged /encumbered to total shares	NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	Mahesh Garodia	1137620	15.80	0.00	1137620	15.80	0.00	0.00
2	Nishant Garodia	820000	11.39	0.00	820000	11.39	0.00	0.00
3	Garodia Sons Pvt Ltd	516000	7.17	0.00	516000	7.17	0.00	0.00
4	Nishant Garodia	428000	5.94	0.00	428000	5.94	0.00	0.00
5	Abhishek Garodia	165600	2.30	0.00	165600	2.30	0.00	0.00
6	Garodia Sons Pvt Ltd	95100	1.32	0.00	95100	1.32	0.00	0.00
7	Gordhandas S Garodia	92600	1.29	0.00	0	0.00	0.00	-1.29
8	Mahesh Garodia	58880	0.82	0.00	58880	0.82	0.00	0.00
9	Sarita Garodia	39600	0.55	0.00	39600	0.55	0.00	0.00
10	Mahesh Garodia	30000	0.42	0.00	30000	0.42	0.00	0.00
11	Namrata Garodia	25000	0.35	0.00	25000	0.35	0.00	0.00
12	Nupur Garodia	25000	0.35	0.00	25000	0.35	0.00	0.00
13	Gordhandas Shivchandrai Garodia	21600	0.30	0.00	0	0.00	0.00	-0.30
14	Mahesh Garodia	21500	0.30	0.00	21500	0.30	0.00	0.00
15	Aparna Garodia	20000	0.28	0.00	20000	0.28	0.00	0.00
16	Aparna Garodia	11000	0.15	0.00	11000	0.15	0.00	0.00
17	Abhishek Garodia	7500	0.10	0.00	7500	0.10	0.00	0.00
18	Abhishek Garodia	5900	0.08	0.00	5900	0.08	0.00	0.00

19	Abhishek Mahesh Garodia	2700	0.04	0.00	2700	0.04	0.00	0.00
20	Shruti Abhishek Garodia	2500	0.03	0.00	2500	0.03	0.00	0.00
21	Usha Garodia	2500	0.03	0.00	2500	0.03	0.00	0.00
22	Mahesh Garodia	2000	0.03	0.00	2000	0.03	0.00	0.00
23	Nishant Garodia	2000	0.03	0.00	2000	0.03	0.00	0.00
24	Usha Gordhandas Garodia	1000	0.01	0.00	1000	0.01	0.00	0.00
25	G S Garodia	200	0.00	0.00	0	0.00	0.00	0.00
26	Usha Garodia	200	0.00	0.00	200	0.00	0.00	0.00
27	Aparna Garodia	100	0.00	0.00	100	0.00	0.00	0.00
28	Gordhandas S Garodia	100	0.00	0.00	0	0.00	0.00	0.00
29	Sarita Garodia	100	0.00	0.00	100	0.00	0.00	0.00
30	Sarita Garodia	100	0.00	0.00	100	0.00	0.00	0.00
31	Mahesh Gordhandas Garodia	0	0.00	0.00	114600	1.59	0.00	1.59
32	Sarita M Garodia	100000	1.39	0.00	100000	1.39	0.00	0.00
	Total	3634400	50.48	0.00	3634500	50.48	0.00	0.00

(iii) *Change in Promoters' Shareholding (please specify, if there is no change)*

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2014		Transactions during the year		Cumulative Shareholding at the end of the year - 2015	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	Mahesh Garodia	1137620	15.80			1137620	15.7998
	At The End Of The Year					1137620	15.7998

2	Nishant Garodia	820000	11.39			820000	11.3886
	At The End Of The Year					820000	11.3886
3	Garodia Sons Pvt Ltd	516000	7.17			516000	7.1665
	At The End Of The Year					516000	7.1665
4	Nishant Garodia	428000	5.94			428000	5.9443
	At The End Of The Year					428000	5.9443
5	Abhishek Garodia	165600	2.30			165600	2.2999
	At The End Of The Year					165600	2.2999
6	Mahesh Gordhandas Garodia	0	0.00			0	0
	Transfer			06 Mar 2015	114600	114600	1.5916
	At The End Of The Year					114600	1.5916
7	Sarita M Garodia	100000	1.39			100000	1.3889
	At The End Of The Year					100000	1.3889
8	Garodia Sons Pvt Ltd	95100	1.32			95100	1.3208
	At The End Of The Year					95100	1.3208
9	Mahesh Garodia	58880	0.82			58880	0.8178
	At The End Of The Year					58880	0.8178
10	Sarita Garodia	39600	0.55			39600	0.55
	At The End Of The Year					39600	0.55
11	Mahesh Garodia	30000	0.42			30000	0.4167
	At The End Of The Year					30000	0.4167
12	Namrata Garodia	25000	0.35			25000	0.3472
	At The End Of The Year					25000	0.3472
13	Nupur Garodia	25000	0.35			25000	0.3472
	At The End Of The Year					25000	0.3472
14	Mahesh Garodia	21500	0.30			21500	0.2986
	At The End Of The Year					21500	0.2986
15	Aparna Garodia	20000	0.28			20000	0.2778

	At The End Of The Year					20000	0.2778
16	Aparna Garodia	11000	0.15			11000	0.1528
	At The End Of The Year					11000	0.1528
17	Abhishek Garodia	7500	0.10			7500	0.1042
	At The End Of The Year					7500	0.1042
18	Abhishek Garodia	5900	0.08			5900	0.0819
	At The End Of The Year					5900	0.0819
19	Abhishek Mahesh Garodia	2700	0.04			2700	0.0375
	At The End Of The Year					2700	0.0375
20	Shruti Abhishek Garodia	2500	0.03			2500	0.0347
	At The End Of The Year					2500	0.0347
21	Usha Garodia	2500	0.03			2500	0.0347
	At The End Of The Year					2500	0.0347
22	Nishant Garodia	2000	0.03			2000	0.0278
	At The End Of The Year					2000	0.0278
23	Mahesh Garodia	2000	0.03			2000	0.0278
	At The End Of The Year					2000	0.0278
24	Usha Gordhandas Garodia	1000	0.01			1000	0.0139
	At The End Of The Year					1000	0.0139
25	Usha Garodia	200	0.00			200	0.0028
	At The End Of The Year					200	0.0028
26	Sarita Garodia	100	0.00			100	0.0014
	At The End Of The Year					100	0.0014
27	Sarita Garodia	100	0.00			100	0.0014
	At The End Of The Year					100	0.0014
28	Aparna Garodia	100	0.00			100	0.0014
	At The End Of The Year					100	0.0014
29	Gordhandas S Garodia	92600	1.29			92600	1.2861
	Transfer			23 Jan 2015	-92600	0	0
	At The End Of The Year					0	0

30	Gordhandas Shivchandrai Garodia	21600	0.30			21600	0.3
	Transfer			06 Mar 2015	-21600	0	0
	At The End Of The Year					0	0
31	G S Garodia	200	0.00			200	0.0028
	Transfer			06 Mar 2015	-200	0	0
	At The End Of The Year					0	0
32	Gordhandas S Garodia	100	0.00			100	0.0014
	Transfer			06 Mar 2015	-100	0	0
	At The End Of The Year					0	0

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2014		Transactions during the year		Cumulative Shareholding at the end of the year - 2015	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	Sicom Limited	750000	10.4164			750000	10.4164
	At The End Of The Year					750000	10.4164
2	Punjab National Bank Principal Tru-	99800	1.3861			99800	1.3861
	At The End Of The Year					99800	1.3861
3	Punjab National Bank Principal Tru-	94100	1.3069			94100	1.3069
	At The End Of The Year					94100	1.3069
4	Chand Tahilramani	71300	0.9903			71300	0.9903

	At The End Of The Year					71300	0.9903
5	Atmaram P Tahilramani	41000	0.5694			41000	0.5694
	At The End Of The Year					41000	0.5694
6	Maharukh Driver	32000	0.4444			32000	0.4444
	At The End Of The Year					32000	0.4444
7	Snehal R Kothari	25000	0.3472			25000	0.3472
	At The End Of The Year					25000	0.3472
8	Vishal Vohra	20000	0.2778			20000	0.2778
	At The End Of The Year					20000	0.2778
9	Rajesh Sadhwani	20000	0.2778			20000	0.2778
	At The End Of The Year					20000	0.2778
10	Chandrakant Shah	20000	0.2778			20000	0.2778
	Transfer			27 Jun 2014	(20000)	0	0.0000
	At The End Of The Year					0	0.0000

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2014		Transactions during the year		Cumulative Shareholding at the end of the year - 2015	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	MAHESH GARODIA	1137620	15.80			1137620	15.7998
	AT THE END OF THE YEAR					1137620	15.7998
2	MAHESH GORDHANDAS	0	0.00			0	0

	GARODIA						
	Transfer			06 Mar 2015	114600	114600	1.5916
	AT THE END OF THE YEAR					114600	1.5916
3	MAHESH GARODIA	58880	0.82			58880	0.8178
	AT THE END OF THE YEAR					58880	0.8178
4	MAHESH GARODIA	30000	0.42			30000	0.4167
	AT THE END OF THE YEAR					30000	0.4167
5	MAHESH GARODIA	21500	0.30			21500	0.2986
	AT THE END OF THE YEAR					21500	0.2986
6	MAHESH GARODIA	2000	0.03			2000	0.0278
	AT THE END OF THE YEAR					2000	0.0278
7	Kunal Naik	1100	0.02			1100	0.0153
8	Brian Fernandes	0	0	0	0	0	0
9	Menka Jha	0	0	0	0	0	0

V. INDEBTEDNESS

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

Particulars	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
Principal amount	4,15,51,809	1,86,56,363	0	6,02,08,172
Interest due but not paid	5,77,91,999	0	0	5,77,91,999
Interest accrued but not due	0	0	0	0
Total (1+2+3)	9,93,43,808	1,86,56,363	0	118000171
Changes in Indebtedness during the financial Year				
+Addition	0	3,62,18,999	0	0
-Reduction	1,27,51,809	0	0	0
Net Changes (-)	1,27,51,809	(+)3,62,18,999	0	0
Indebtedness at the end of the financial year				
Principal amount	2,88,00,000	5,48,75,362	0	8,36,75,362
Interest due but not paid	5,16,06,114	-	0	5,16,06,114
Interest accrued but not due	0	-	0	0
Total (1+2+3)	8,04,06,114	5,48,75,362	0	13,52,81,476

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIALPERSONNEL

- A. Remuneration to Managing Director or Whole-time Directors and/or Manager:
The Company did not pay any remuneration to Directors and KMP during the FY 2014-2015.
- B. Remuneration to the directors:
The Company did not pay any remuneration to Directors during the FY 2014-2015.
- C. Remuneration To Key Managerial Personnel Other than MD/ Manager /WTD:
The Company did not pay any remuneration to Directors during the FY 2014-2015.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT Punishment/ Court)	Appeal made, Compounding if any (give Details)
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

By Order of the Board of Directors

Garodia Chemicals Limited,

SD/-

Mahesh Garodia

Director and Compliance Officer

DIN: 01250816

Add: Namakwala, M. G. Road, Ghatkopar (East), Mumbai- 400077

Annexure-E

NOMINATION AND REMUNERATION POLICY

INTRODUCTION

Pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.

The Remuneration Policy of the Company is designed to attract, motivate and retain manpower in a competitive and international market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

1) DEFINITIONS

- i. **“Board”** means Board of Directors of the Company.
- ii. **“Company”** means **“Garodia Chemicals Limited”**
- iii. **“Independent Director”** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- iv. **“Key Managerial Personnel” (KMP)** means (i) Chief Executive Officer or the Managing Director or the Manager, (ii) Company Secretary, (iii) Whole-time Director, (iv) Chief Financial Officer and (v) Such other officer as may be prescribed.
- v. **“Nomination and Remuneration Committee”** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.
- vi. **“Policy or This Policy”** means, “Nomination and Remuneration Policy.”
- vii. **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- viii. **“Senior Management”** mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

2) SCOPE:

The Remuneration Policy applies to the Company's senior management, including its Key Managerial Person and Board of Directors.

3) OBJECTIVE:

The Key Objectives of the policy would be:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management
2. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

4) GUIDING PRINCIPLES

The Policy ensures that:

1. The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person.
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
3. The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets.

5) TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE

1. To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
2. Formulate criteria for evaluation of Independent Directors and the Board.
3. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
4. To carry out evaluation of every Director's performance.
5. To recommend to the Board the appointment and removal of Directors and Senior Management.
6. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
7. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks

8. To devise a policy on Board diversity.
9. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
10. Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
11. Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
12. Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
13. Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice
14. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
15. To perform such other functions as may be necessary or appropriate for the performance of its duties.

6) **APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT APPOINTMENT OF DIRECTOR (INCLUDING INDEPENDENT DIRECTORS):**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

As per the applicable provisions of Companies Act 2013, Rules made there under and Clause 49 of Listing Agreement the Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

7) **CRITERIA FOR APPOINTMENT OF KMP/SENIOR MANAGEMENT:**

To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities

- To practice and encourage professionalism and transparent working environment.

- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct.

8) REMOVAL

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

9) POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP & SENIOR MANAGEMENT PERSONNEL:

- No director/KMP/ other employee is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weight age to arrive at a competitive quantum of remuneration.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.
- Executive remuneration is proposed by the Committee and subsequently approved by the Board of Directors. Executive remuneration is evaluated annually against performance. In determining packages of remuneration, the Committee may take the advice of the Chairman/ Managing Director of the Company.
- The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

10) FOLLOWING CRITERIA ARE ALSO TO BE CONSIDERED:

Responsibilities and duties ; Time & efforts devoted; Value addition; Profitability of the Company & growth of its business; Analyzing each and every position and skills for fixing the remuneration yardstick ;

There should be consistent application of remuneration parameters across the organisation.

11) REVIEW:

The policy shall be reviewed by the Nomination & Remuneration Committee and the Board, from time to time as may be necessary.

FORM NO MGT-11

PROXY FORM

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

CIN: L99999MH1993PLC070321
Name of the Company: Garodia Chemicals Limited
Regd. Office: 149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (East), Mumbai – 400077
Email: gclshares@gmail.com
Website: www.gchem.co.in
Phone: 022-67983683
Fax: 022-66716149

Name of the Member(s):	
Registered Address:	
E mail Id:	
Folio No / Client ID:	
DP ID:	

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

Name: Address: or failing him

.....

Name: Address: or failing him

.....

Name: Address:

.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Monday, 28th September, 2015 at 10.00 a.m at the registered office of the Company situated at 149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (East), Mumbai – 400077 and at any adjournment thereof in respect of the such resolutions as are indicated below:

Sr. No.	Resolutions	For	Against
Ordinary Business			
1	To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mr. Mahesh Garodia (DIN 01250816) who retires by rotation and, being eligible offers himself for re-appointment.		
3.	To appoint M/s. Milind K. Mehta & Co., Chartered Accountants as Auditors of the Company and fix their remuneration.		
Special Business			
4.	To authorize the Board to borrow money.		
5.	To authorize the Board to mortgage / charge all or any of the immovable and movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company.		

Signed this _____ day of _____, 2015

Signature of the Shareholder _____

Signature of Proxy holder(s) _____

<p>Please affix the Revenue Stamp of Re. 1</p>

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

GARODIA CHEMICALS LIMITED

149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (East), Mumbai – 400 077

CIN: L99999MH1993PLC07032

Email id: gclshares@gmail.com

Phone : 022-67983683; Fax : 022-66716149

ANNUAL GENERAL MEETING

Please fill this attendance slip and hand it over at the entrance of the venue of the meeting.

Name of the shareholder	
Address	
No. of Shares held	
DP ID No.	
Client Id No	
Regd. Folio No	

I certify that I am a member/ proxy / authorised representative for the member of the Company.

I hereby record my presence at the Annual General Meeting of Garodia Chemicals Limited on Monday, 28th September, 2015 at 10.00 a.m at the registered office of the Company situated at 149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (E), Mumbai -400077.

Name of the Member / proxy (in block letters)

Signature of the Member / Proxy

GARODIA CHEMICALS LIMITED

149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (East), Mumbai – 400 077

CIN: L99999MH1993PLC07032

Email id: gclshares@gmail.com

Phone : 022-67983683; Fax : 022-66716149

BALLOT FORM

(To be returned to scrutinizer appointed by Garodia Chemicals Limited (“The Company”))

1. Name(s) of Member(s)
(including joint-holders, if any)
2. Registered Folio No. /
DPID No. / Client Id No.*
(*Applicable to Members holding shares
In dematerialized form)
3. Number of Shares Held:
4. I/We hereby exercise my/our vote in respect of the Ordinary/Special Resolution(s) enumerated below by recording my/our assent or dissent to the said resolution by placing the tick (√) mark at the appropriate box below:

Item No.	Description	Type of resolution (Ordinary / Special)	No. of Share(s)	I/We assent to the resolution (For)	I/We dissent to the resolution (For)
1.	To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon.	Ordinary			

2.	To appoint a Director in place of Mr. Mahesh Garodia (DIN 01250816) who retires by rotation and, being eligible offers himself for re-appointment.	Ordinary			
3.	To appoint M/s. Milind K. Mehta & Co., Chartered Accountants as Auditors of the Company and fix their remuneration	Ordinary			
4.	To authorize the Board to borrow money	Special			
5.	To authorize the Board to mortgage / charge all or any of the immovable and movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company	Special			

Place:

Date:

(Signature of Member / Beneficial Official Owner)

E mail: _____

Tel No.: _____

Note : Please read the instructions printed overleaf carefully before exercising your vote

INSTRUCTIONS

1. A Shareholder(s) desiring to exercise vote by Ballot may complete this Ballot Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer.
2. Alternatively, a Member may vote through electronic mode as per the instructions for voting through electronic means provided in the Postal Ballot Notice sent herewith.
3. Consent must be accorded by either placing a tick mark (✓) in the appropriate column in the Ballot form. This Form should be completed and signed by the Shareholder(s) (as per the specimen signature registered/recorded with the Company/Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
4. Duly completed Ballot Form should reach the Company not later than 27-09-2015 by 5:00 P.M. All Postal Ballot Forms received after this date will be strictly treated as if the reply from Shareholder(s) has not been received.
5. A Shareholder may request for a duplicate Ballot Form, if so required. However, the duly completed duplicate Ballot form should reach the Scrutinizer not later than 27-09-2015 by 5:00 P.M.
6. There will be only one Postal Ballot Form for every folio / Client ID irrespective of the number of joint Shareholder(s).
7. In case of shares held by companies, trusts, societies etc. the duly completed Ballot Form should be accompanied by a certified true copy of Board resolution/Power of Attorney / authority letter / attested specimen signatures, etc.
8. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Shareholders as on 21-09-2015.
9. Shareholders are requested not to send any other paper along with the Ballot Form.
10. The Scrutinizer's decision on the validity of a Ballot will be final and binding.
11. Incomplete, unsigned or incorrect Ballot Forms will be rejected.
12. The result of the Ballot will be posted on the website of the Company.

ROUTE MAP

