

30th ANNUAL REPORT 2014 - 2015



SM DYECHEM LTD.

30th ANNUAL REPORT 2014 - 2015

BOARD OF DIRECTORS

S.M. Shetty, *Chairman & Managing Director*

Sharad Sanghvi, *Director (Resigned w.e.f. 10.04.2015)*

C.R. Murali, *Director*

Nilesh Gandhi (*Appointed w.e.f. 10.04.2015*)

Priti Gandhi (*Appointed w.e.f. 27.05.2015*)

Jimish Garodia (*Appointed w.e.f. 19.08.2015*)

AUDITORS

S.K. Kavathekar & Co.

REGISTERED OFFICE

136, Great Western Building,
Nagindas Master Road Extn.,
Fort, Mumbai - 400 001.

SOLICITORS

Dhir & Dhir Associates

REGISTRAR & TRANSFER AGENTS

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (W),
Mumbai - 400 078.

BANKERS

HDFC Bank Ltd.

Axis Bank Ltd.

Contents	Page No.
Notice	3
Corporate Governance Report	16
Directors' Report	8
Balance Sheet	21
Profit & Loss Account	22
Cash Flow Statement	23
Schedules	23
Auditor's Report	29

30th Annual General Meeting
on Tuesday, 22nd September, 2015
at 11.30 a.m.
At Utkarsh Mandal
Vile Parle, Utkarsh Chowk,
Malavia Road, Vile Parle (E),
Mumbai 400057

Shareholders are requested to bring their copy
of the Annual Report along with them at the
Annual General Meeting

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Members of SM Dyechem Limited will be held on Tuesday, the 22nd September, 2015, at 11.30 a.m. at Utkarsh Mandal Vile Parle, Utkarsh Chowk, Malavia Road, Vile Parle (E), Mumbai 400057 to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, Auditors' Report and Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2015.
2. To appoint a Director in place of Mr. S.M. Shetty (DIN:00294206) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company and fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of Section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), S.K. Kavathekar & Co, Chartered Accountants (Firm Regn. No. 104944W) retiring auditors of the company, be and are hereby appointed as Auditors of the Company for a period of one (1) year, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 31st Annual General Meeting of the company, to audit the accounts for one year beginning on 1st April, 2015 and ending on 31st March, 2016 on such remuneration as shall be fixed by the Board of Directors in consultation with the Auditors.

SPECIAL BUSINESS:

4. To appoint Mr. C.R. Murali (DIN: 00533104) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. C.R. Murali (DIN: 00533104) Director of the Company, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 3 (Three) consecutive years for a term up to 21st September, 2018."

5. To appoint Mr. Nilesh Gandhi (DIN: 00028536) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Nilesh Gandhi (DIN: 00028536), who was appointed as an Additional Director w.e.f. 10th April, 2015 and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (Five) consecutive years for a term up to 9th April, 2020."

6. To appoint Mrs. Priti Gandhi (DIN: 07166272) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Priti Gandhi (DIN: 07166272), who was appointed as an Additional Director w.e.f. 27th May, 2015 and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (Five) consecutive years for a term up to 26th May, 2020."

7. To appoint Mr. Jimish Goradia (DIN: 06827623) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Jimish Goradia (DIN: 06827623) who was appointed as an Additional Director w.e.f. 19th August, 2015 and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (Five) consecutive years for a term up to 18th August, 2020."

8. To consider and, if thought fit, to pass with or without modification(s), to the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT in terms of Section 180(1)(c) of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow money on behalf of the Company, from time to time, any sum or sums of monies which together with the monies 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 paid-up share capital of the Company and its free reserves, (that is to say reserve not set apart for any specific purpose) provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 5,00,00,000/- (Rupees Five crores only) or limits so prescribed under Section 180(1)(c) (as may be amended from time to time), whichever is higher.

"RESOLVED FURTHER THAT the Board or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution."

By Order of the Board
For **SM DYECHM LTD.**

S.M.Shetty
Chairman & Managing Director
DIN : 00294206

136, Great Western Building
Nagindas Master Road Ext,
Fort, Mumbai 400 001
CIN : L24110MH1982PLC027307

Date : 19th August, 2015

**NOTES:**

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and the additional information pursuant to clause 49 of the Listing Agreement in respect of Directors proposed for re-appointment/appointments at the meeting are annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL ONLY AND THE PROXY NEED NOT BE A MEMBER. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable.
4. Members/proxies should bring the Attendance Slip duly filled in for attending the meeting.
5. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
6. Members desiring any information on the Accounts are requested to write to the Company at least one week before the Meeting so as to enable the management to keep the information ready at the Meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 18th September, 2015 to Tuesday, the 22nd September, 2015 (both days inclusive).
8. As a measure of economy, copies of the Annual Report shall not be distributed at the meeting and therefore the Members are requested to bring their copy of Annual Report to the Meeting.
9. Members are requested to notify immediately any change in their address to their Depository Participants (DPs) in respect of their electronic share accounts and to M/s. Link Intime India Pvt Ltd, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai 400 078, Tel No.25946970, Fax No.25946969, email rnt.helpdesk@linkintime.co.in and Unit: SM Dyechem Limited.,136, Great western building, Nagindas Master Road Extn, Fort, Mumbai 400 001.
10. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to Link Intime India Pvt Ltd at their address given in note No.9.
11. Members seeking any information with regard to accounts are requested to send their queries in writing at an early date to the Company so as to enable the Management to keep the information ready.
12. Members/Proxies should fill in the Attendance slip for attending the meeting and bring their Attendance Slips along with their copy of the Annual Report to the meeting. Members are requested to affix their signature at the space provided in the attendance slip with complete details including the Folio No. annexed to the proxy form and hand over the slip at the entrance of the place of meeting. No copies will be distributed at the meeting as a measure of economy.
13. The Company has appointed M/s. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078, as Share Transfer Agents and the members are requested to send/address all their shares related matters/ correspondence directly to them.
14. Change of Address /Bank details: Members are requested to inform M/s. Link Intime India Private Limited, immediately of any change in their address / bank details. Members holding shares in dematerialized form are requested to intimate all changes with respect to their Email Id, signature, address, bank details and mandate etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company's records. Members holding shares in physical form are requested to intimate such changes to the Registrar and Share Transfer Agents of the Company viz. M/s. Link Intime India Private Limited.
15. As per Circular No. MRD/Dop/Cir-05/2009 dated May 20, 2009 issued by Securities And Exchange Board of India (SEBI), it is mandatory to quote Permanent Account Number (PAN) for participating in the securities market. Therefore, Members holding shares in dematerialised form are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Registrar and Share Transfer Agents of the Company viz. Link Intime India Private Limited.
16. Electronic (soft) copy of the Notice of the 30th Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting and Assent Decent Form along with the Attendance Slip & Proxy Form and the Annual Report for 2014-2015 is being sent to all the Members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copies of these documents are being sent in the permitted mode.
17. **Voting through electronic means:**

In accordance with provisions of Section 108 of the Companies Act, 2013, Rules 20 of the Companies (Management Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 30th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services.

The facility for voting through Ballot Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by e-voting shall be able to exercise their right at the meeting through Ballot papers.

The members who have cast their vote by e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The Company has appointed Mr. **Nilesh A Pradhan, Practicing Company Secretary** (Mem No: 5445; COP No:3659) as the **Scrutinizer to scrutinize** the remote e-voting process and voting cast by member through poll at Annual General Meeting in a fair and transparent manner.

The instructions for shareholders voting electronically are as under:

 - (i) The voting period begins on 18th September, 2015 and ends on 21st September, 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 15th September, 2015 may cast their vote electronically. The remote 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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB	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.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(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 SM DYECHM LIMITED 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 Corporates.

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.

(xx) The results of e-voting shall be declared by the Chairman on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall within 48 hours of passing of the resolution at the AGM be communicated to the stock exchanges.

(xxi) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

By Order of the Board
For **SM DYECHM LTD.**

S.M.Shetty
Chairman & Managing Director
DIN : 00294206

136, Great Western Building
Nagindas Master Road Ext,
Fort, Mumbai 400 001
CIN : L24110MH1982PLC027307

Date : 19th August, 2015

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 4

Pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. C.R. Murali, being Independent Director of the Company, is proposed to be appointed as Independent Director pursuant to the requirement of the Companies Act, 2013, for a term of 3 years, upto the conclusion of the 33rd Annual General Meeting and during this term they shall not be liable to retire by rotation.

The company has received a notice in writing from the appointee himself along with the deposit of requisite amount under Section 160 of the Act proposing his own candidature for the office of Director of the Company.

Mr. C.R. Murali is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. C.R. Murali that he meets with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. C.R. Murali fulfils the conditions of his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. C.R. Murali is independent of the management.

Brief resume of Mr. C.R. Murali, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement is annexed to the notice.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of independent Directors requires approval of shareholders.

Keeping in view his vast expertise and knowledge, it will be in the interest of the company that Mr. C.R. Murali is appointed as an Independent Director

The statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange. Mr. C.R. Murali holds 2 shares of the company.

Except for Mr. C.R. Murali, being the appointee himself, none of the other Directors, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the members.

ITEM NO.5

The Board of Directors of the company in their meeting held on 10th April, 2015 appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr Nilesh Gandhi as Additional Independent Director of the company who holds office upto the date of the AGM of the company.

The company has received a notice in writing from the appointee himself along with the deposit of requisite amount under Section 160 of the Act proposing his own candidature for the office of Director of the Company.

Mr. Nilesh Gandhi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. Nilesh Gandhi that he meets with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Nilesh Gandhi fulfils the conditions of his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Nilesh Gandhi is independent of the management.

Brief resume of Mr. Nilesh Gandhi, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement is annexed to the notice.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of independent Directors requires approval of shareholders.

Keeping in view his vast expertise and knowledge, it will be in the interest of the company that Mr. Nilesh Gandhi is appointed as an Independent Director.

The statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange. Mr. Nilesh Gandhi does not hold any shares of the company.

Except for Nilesh Gandhi, being the appointee himself and Mrs. Priti Gandhi being his spouse, none of the other Directors, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.4 of the Notice for approval by the members.

ITEM NO.6

The Board of Directors of the company in their meeting held on 27th May, 2015 appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mrs.Priti Gandhi as Additional Independent Director of the company who holds office upto the date of the AGM of the company.

The company has received a notice in writing from the appointee herself along with the deposit of requisite amount under Section 160 of the Act proposing her own candidature for the office of Director of the Company.

Mrs. Priti Gandhi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has received a declaration from Mrs. Priti Gandhi that she meets with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mrs. Priti Gandhi fulfils the conditions of her appointment as an Independent Director as specified in the Act and the Listing Agreement.

Brief resume of Mrs. Priti Gandhi, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement is annexed to the notice.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of independent Directors requires approval of shareholders.

The statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange. Mrs. Priti Gandhi does not hold any shares of the company.

Except for Mrs. Priti Gandhi, being the appointee herself, and Mr. Nilesh Gandhi being her spouse, none of the other Directors, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.6 of the Notice for approval by the members.

ITEM NO.7

The Board of Directors of the company through Circular Resolution approved on 19th August, 2015 appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Jimish Goradia as Additional Independent Director of the company who holds office upto the date of the AGM of the company.

The company has received a notice in writing from the appointee himself along with the deposit of requisite amount under Section 160 of the Act proposing his own candidature for the office of Director of the Company.

Mr. Jimish Goradia is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. Jimish Goradia that he meets with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Jimish Goradia fulfils the conditions of his appointment as an Independent Director as specified in the Act and the Listing Agreement.

Brief resume of Mr. Jimish Goradia, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement is annexed to the notice.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of independent Directors requires approval of shareholders.

Keeping in view his expertise and knowledge, it will be in the interest of the company that Mr. Jimish Goradia is appointed as an Independent Director

The statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange. Mr. Jimish Goradia does not hold any shares of the company.

Except for Mr. Jimish Goradia, being the appointee himself, none of the other Directors, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.7 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.7 of the Notice for approval by the members.

ITEM NO.8

In pursuance of the Modified Draft Rehabilitation Scheme (MDRS) submitted to the Hon'ble Board for Industrial & Financial Reconstruction (BIFR) /Industrial Development Bank of India (IDBI), the Operating Agency appointed by BIFR, as per directions of BIFR the strategic investor/co promoters identified by the promoters of the company have agreed to part finance the cost of rehabilitation of the company's operations. In pursuance thereof and as an expression of its intention of performance, the strategic investor has already remitted an amount of Rs. 90.00 lacs (Rupees ninety lacs only) to the company. However as an abundant precaution the consent of the shareholders is being sought by way of this special resolution.

Under the provisions of Section 180(1) (c) of the Companies Act, 2013, the power to borrow beyond the limits prescribed under section 180(1)(c) can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Therefore, it is necessary to obtain approval of the shareholders by means of Special Resolution(s) to enable the Board of Directors of the Company under Section 180(1)(c) of the said Act to borrow monies, provided that the total amount so borrowed by the Board shall not exceed Rs. 5,00,00,000/- (Rupees Five Crores Only) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher, and also to enable the Company under Section 180(1)(a) of the Companies Act, 2013 for creation of charges/mortgages/hypothecations for the said purpose.

The Board recommends the Resolution as set out at Item no. 8 of the Notice as a Special Resolution, for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned/ interested in the above resolution.

By Order of the Board
For **SM DYECHM LTD.**

136, Great Western Building
Nagindas Master Road Ext,
Fort, Mumbai 400 001
CIN : L24110MH1982PLC027307

S.M.Shetty
Chairman & Managing Director
DIN : 00294206

Date : 19th August, 2015

APPOINTMENT/RE-APPOINTMENT OF DIRECTORS:

As required under Clause 49 of the Listing Agreement, the particulars of directors who are proposed to be re-appointed/appointed are given below:

1.	Name	S.M. Shetty	C.R. Murali	Nilesh Gandhi	Priti Gandhi	Jimish Goradia
2.	Date of Birth	2nd January, 1942	28th April, 1958	13th November 1966	10th July, 1970	10th September, 1981
3.	Educational Qualification	Bachelor of Engineering (Mechanical & Electrical)	Bachelor of Commerce, Chartered Accountant, Institute of Chartered Accountants of India	Bachelor of Commerce	Bachelor of Commerce, SIES Institute, Mumbai	Bachelor of Engineering in Mechanical field, Bhariya Vidyapeeth College of Engineering and has completed his MBA in Marketing from NMIMS Institute, Mumbai
4.	Date of appointment on the board	3rd June, 1982	30th April, 2006	10th April, 2015	27th May, 2015	19th August, 2015
5.	Experience	He has been associated with the Company since incorporation having vast expertise in Engineering & Management	He has been associated with the Company since past 10 years having vast expertise in finance, accountancy, taxation and Compliance.	He has an experience of over 23 years in the pharmaceutical industry	Nil	He has around 9 years of experience in manufacturing sector and around 3 years experience in real estate sector.
6.	Shareholding in the Company	2001	2	-	-	-
7.	Relationship with other directors, Managers or KMP	N.A.	N.A.	He is Mrs. Priti Gandhi's husband	She is Mr. Nilesh Gandhi's wife	N.A.
8.	No. of Meeting attend during the year	6 out of 6	6 out of 6	N.A.	N.A.	N.A.
9.	List of other directorship held	Nil	*	*	Nil	*

* LIST OF OTHER DIRECTORSHIP HELD :

Mr. C.R. Murali	Mr. Nilesh Gandhi	Mr. Jimish Goradia
1. Silk Tele Networks India Private Limited	1. Khyati Financial Services Private Limited	1. DFRNT Realty Pvt. Ltd.
2. Scotts Garments Limited	2. Khyati Realtors Pvt. Ltd.	2. Panoramic Construction Pvt. Ltd.
3. Vatsalya Services & Solutions Private Limited	3. Renown Developers Ltd.	3. Winwin Property Pvt. Ltd.
	4. Soft Street Developers Ltd.	4. Wind Construction Pvt. Ltd.
	5. Supershine Construction Pvt. Ltd.	5. Luxuriant Realty Pvt. Ltd.
	6. Supercivil Realty Pvt. Ltd.	6. Topsil Developers Pvt. Ltd.
	7. Realsoft Developers Pvt. Ltd.	7. Winwave Developers Pvt. Ltd.
	8. Solar Developers Pvt. Ltd.	8. Silversoft Developers Pvt. Ltd.
	9. Proud Property Pvt. Ltd.	9. Opportune Investments Pvt. Ltd.
	10. Lime Property Pvt. Ltd.	10. Supershot Realty Pvt. Ltd.
	11. Distinct Construction Pvt. Ltd.	11. Silverwave Realty Pvt. Ltd.
	12. Black Sky Property Pvt. Ltd.	12. Goodwin Property Pvt. Ltd.
	13. Aditya Infotech Pvt. Ltd.	13. Civilshine Property Pvt. Ltd.
	14. Real Captive Power Pvt. Ltd.	14. Silverdew Developers Pvt. Ltd.
	15. NJM Relators Pvt. Ltd.	15. Goldenwave Infrastructure Pvt. Ltd.
		16. Real Captive Power Pvt. Ltd.
		17. CGS Developers Pvt. Ltd.
		18. KNK Trading Pvt. Ltd.
		19. KNM Relators Pvt. Ltd.

By Order of the Board
For **SM DYECHM LTD.**

136, Great Western Building
Nagindas Master Road Ext,
Fort, Mumbai 400 001
CIN : L24110MH1982PLC027307

S.M.Shetty
Chairman & Managing Director
DIN : 00294206

Date : 19th August, 2015

DIRECTORS' REPORT

To the Members,

Your Directors present their Thirtieth Report together with the Audited Accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS	(Rs. in '000)	
	2014-2015	2013-2014
Total Income	147,911	155,042
Profit/(Loss) before Depreciation, Interest and Tax	(3,990)	(3,994)
Less : Depreciation	690	690
Add : Tax adjustments For earlier year	-	-
Profit/(Loss) after tax	(4,679)	(4,683)

FINANCIAL SUMMARY OR HIGHLIGHTS

In the financial year 2014-15, the Company has incurred losses of Rs. 46,79,000 as against Rs.46,83,000 in the previous year.

STATUS WITH BIFR

As reported in the earlier Annual Reports, the Company is a sick Company, registered with BIFR. The status and updates on the same has been discussed in the Management discussion and analysis Report annexed herewith.

EXTRACT OF THE ANNUAL RETURN:

Pursuant to Section 134(3)(a) of the Companies Act, 2013 an extract of the Annual Return in Form No. MGT-9 is annexed herewith.

BOARD OF DIRECTORS MEETING:

During the year ended 31st March, 2015, the Company had Six (06) Board Meetings and the gap between the two meetings of the Board is as per Companies Act, 2013. The following dates, namely 30th April, 2014, 30th May, 2014, 12th August, 2014, 14th November, 2014, 13th February, 2015 and 20th March, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors of the Company hereby states and confirms that:-

- In the preparation of the Annual Accounts, applicable accounting standards have been followed along with proper explanation relating to material departures;
- The Directors have 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 at the end of the accounting year and of the loss of the company for that year;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the Annual Accounts on a going concern basis
- The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The Directors have devised proper system to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

M/s. S.K.Kavathekar & Co, Chartered Accountants, the Auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office, if reappointed. Remarks made by the auditors in their report read with notes to accounts thereon are self explanatory.

SECRETARIAL AUDIT REPORT

The Board appointed M/s. Nilesh A Pradhan & co, Practicing company secretaries to conduct secretarial Audit for F.Y. 2014-15. The Secretarial Audit Report is annexed herewith.

The remarks made by the secretarial Auditor are self explanatory. The company could not comply with certain requirements due to continued dislocation in the administrative set up of the company, The Board is taking all remedial measures to set right the deficiencies and comply with non compliances herewith.

The company has also sought directions from Hon'ble BIFR for exempting the company, its Directors and Officers from any consequences pursuant to such non compliances.

REMUNERATION POLICY

The Board of Directors has on recommendations of the Nomination & Remuneration Committee outlined policy for selection & appointment of Directors, Key Managerial Personnel & Senior Management and also to decide their remuneration along with the perks. The Nomination & Remuneration Committee revises the remuneration from time to time depending upon the performance of the Company and the Individual Director's/Key Managerial Personnel and other Senior Management Personnel. The remuneration policy, takes into account the circumstance of business so as to attract and retain quality talent and leverage performance significantly

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr S.M. Shetty, Chairman and Managing Director of the Company retires by rotation and being eligible offers himself for reappointment.

Mr. C.R. Murali, Director of the Company is being appointed as an Independent Director for a period of three years upto 21st September, 2018.

Mr. Sharad Sanghvi, an Independent Director, has stepped down from the Board w.e.f. from 10th April, 2015 and Mr. Nilesh Gandhi was appointed as additional Independent Director on 10th April, 2014. Your directors seek member's approval for his appointment as the Independent Director, not liable to retire by rotation.

During the year under review, Mrs. Vaishali Shetty Oza was appointed as Woman Director w.e.f. 20th March, 2015 who resigned from the board w.e.f. 27th May, 2015. Mrs. Priti Gandhi was subsequently appointed as Additional independent director on 27th May, 2015. Your directors seek member's approval for her appointment as the Independent Director, not liable to retire by rotation.

Also, the Company is yet to comply with Section 203 of the Companies Act 2013 regarding non appointment of Key managerial personnel- Company Secretary and CFO since the Company is a sick Company registered under BIFR. Despite of best efforts of the Board of Directors, the Company is yet to identify and appoint a Company Secretary and CFO.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186

There were no loans or guarantees given or any investments made during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB SECTION (1) OF SECTION 188

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arms-length basis. Note 2.28 to the Financial Statements covers the disclosure and hence the Company has nothing to reflect as disclosure in form AOC-2.

DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules 2014, as amended from time to time.

DIVIDEND

Your Directors regret that due to accumulated losses, no dividend could be recommended for the year.

RESERVES

Since the company has accumulated losses, no amount has been transferred to Reserves.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN MARCH 31, 2015 AND AUGUST 12, 2015 (DATE OF THE REPORT)

There are no material changes and commitments to report affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report except as under:

1. In pursuance of orders of BIFR, The Company has submitted a Modified Draft Rehabilitation Scheme (MDRS) for meeting the residual liabilities of the Company and for expanding the business domain of the Company. The same is under consideration by BIFR/IDBI.
2. In pursuance of the MDRS under consideration by BIFR/IDBI, the strategic investor identified by the Promoter has deposited an amount of Rs. 90 Lacs to part finance the cost of Rehabilitation Scheme.
3. Further in pursuance thereof, the strategic investor have also acquired 23.94% of the shares of Promoters and the particulars of the acquisition have been informed to the regulatory authorities including BIFR/IDBI etc. However, the acquired shares have not yet been delivered for formal transfer to the Company or Registrar and Transfer agents.

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

The Company did not have any major power and fuel consumption during the year under consideration. No foreign exchange earnings and expenditure were made during the year under consideration. And hence the company has nothing to report as an annexure required under rule 8(3) of Companies (Accounts) Rules, 2014.

MANAGEMENT DISCUSSION & ANALYSIS

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.

The Company is registered under BIFR and apart from that there are no other material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

DETAILS OF HOLDING/SUBSIDIARIES/JOINT VENTURE/ ASSOCIATE COMPANY;

M/s. Sai Ganesh Properties Pvt Ltd is the holding Company and the Company has no subsidiaries/Joint venture/Associate Company incorporated or ceased in the year 2014-15.

PARTICULARS OF EMPLOYEES:

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are required to be provided in the Annual Report. However there were no employees who were in receipt of remuneration for which details need to be disclosed. Hence, rule 5(2) and 5(3) are not applicable to the Company.

SHARE CAPITAL:

During the financial year there was no change in the Share Capital of the Company.

COMMITTEES OF BOARD:

Following are the various Committees formed by Board:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholder Relationship Committee

The details of the composition of committees, its roles and responsibility along with number of meetings held are given in the Report of Corporate Governance.

As the Company is loss making, Constitution of the Corporate Social Responsibility Committee and policy is not applicable.

CORPORATE GOVERNANCE :

Report on Corporate Governance, as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges in India, forms part of the Annual Report. Certificate from the Auditor of the Company M/s. S.K. Kavathekar & Co, Chartered Accountants confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is annexed to this Report.

PERFORMANCE EVALUATION OF BOARD AND INDEPENDENT DIRECTORS:

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. The Board has evaluated performance of all the Directors and expressed its satisfaction. Evaluation procedure covered Board's functioning such as adequacy of the size and composition of the Board and its Committees to ensure diversity and adequate skills in the best interest of the Company as a whole.

FAMILIARIZATION PROGRAMME FOR DIRECTORS

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

DISCLOSURES:**i. Whistleblower Policy**

The Company has a Whistleblower Policy to report genuine concerns and grievances. The same is explained in the Corporate Governance Report. The practice of the Whistleblower Policy is overseen by the Audit Committee of the Board and no employee has been denied access to the Committee.

ii. Prevention of Sexual harassment Policy

During the year 2014-15, no complaints were received by the Company relating the sexual harassment.

ACKNOWLEDGEMENT

The Board takes this opportunity to thank and acknowledge with gratitude the co-operation and assistance received from various Government Authorities, Professionals and other Agencies during the accounting period under reference.

The Directors also wish to place their deep appreciation to the continued trust and confidence reposed by the Shareholders of the Company.

For and on behalf of the Board

For **SM DYECHEM LIMITED**

S M Shetty
Chairman & Managing Director
Din No.: 00294206

Date : 19th August, 2015
Place : Mumbai

Nilesh M Gandhi
Director
Din No.: 00028536



**MANAGEMENT DISCUSSION AND ANALYSIS
BIFR/AAIFR PROCEEDINGS & OUTLOOK**

The Company is currently under a Scheme of Rehabilitation (the Scheme) sanctioned by the Board for Industrial & Financial (BIFR) on 28.05.2008 as modified from time to time.

RECONSTRUCTION

In terms of the Scheme, the promoters of the Company have undertaken to turn around the company by augmenting necessary resources and venturing into various beneficial business opportunities. Substantial payments have been made towards the payments detailed in the Scheme.

The Board in coordination with promoters is endeavoring to complete the residual requirements of the Scheme. However, the Board is of the opinion that the existing business domains have become very competitive and hence widening the scope of business domains have become imperative in pursuance thereof. The Company is constantly reviewing opportunities for expansion of its business operations either directly or through its subsidiaries/joint ventures/associate companies/bodies corporate.

The sanctioned scheme envisaged deployment of resources to meet the capital expenditure, payments to unsecured creditors, payment of sales tax liabilities, funding of additional capital and other reliefs and concessions from various governmental, quasi governmental and other agencies and parties. Though the sanctioned scheme has been substantially implemented, however due to non-grant of the reliefs by the various authorities coupled with financial difficulties, continued to be faced by the Company, the required resources could not be mobilized by the Promoters and consequently the scheme sanctioned by BIFR could not be implemented in full.

In order to meet the residual liabilities of the Company and also to workout additional business domain, the Company has identified a strategic investor/co-promoter who had agreed to bring in the required funds in the form of unsecured loan.

In pursuance thereof and in deference to the directions of the hon'ble BIFR, the Company has submitted a Modified Draft Rehabilitation Scheme on 25th May, 2015 to BIFR/IDBI and the same is under consideration by the respective authorities/Court.

In addition the strategic investor has also identified a new business domain in the realty Sector. The Company in consultation with the strategic investor has taken substantial steps in finalizing the new activity.

The Board is hopeful that this addition of business platform would enable the Company in its efforts in regaining the glory of the company.

Further, the strategic investor has advanced a sum of Rs. 90 lacs in pursuance of the MDRS under consideration with IDBI, operating agency appointed by BIFR.

In terms of the understanding with the strategic investors the Promoters of the Company have divested 23.94% of their shareholding in the Company and the particulars of such acquisition have been intimated to all regulatory authorities and to BIFR/IDBI.

Consequent to the preferential allotment made in pursuance to the BIFR scheme, the equity shareholding held by M/s. Sai Ganesh Prperties Pvt Ltd ("Promoter company") exceeds 50% of the equity share capital of the Company, as such the Company has become a subsidiary of M/s Sai Ganesh Properties Pvt Ltd.

The Board would update the members about the progress in this regard in due course.

RISKS AND CONCERN

As reported earlier, the Company is a sick company under the BIFR Act and is exposed to the financial risk.

FINANCIAL & OPERATIONAL PERFORMANCE:

During the year under review, the Company saw a fall in its overall performance. The Company has incurred losses of Rs. 46,79,000 as against Rs. 46,83,000 in the previous year.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be considered to be forward looking statements and actual results could differ materially from those expressed or implied. Important factors which could make a significant difference to the company's operations include downtrend in the pharmaceutical sector, demand supply conditions, market prices, input components costs and availability, changes in government regulations and tax laws besides other factors such as litigation over which the company may not have any control

CERTIFICATE OF CORPORATE GOVERNANCE

To The Members of

SM Dyechem Limited

We have examined the compliance of conditions of Corporate Governance by SM Dyechem Limited for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the above mentioned Listing Agreement; subject to the followings: -

- a) The Company does not have full time Company Secretary.
- b) The Company has not obtained Limited Review from the Statutory Auditors for all quarters of the period under review, and
- c) The Company has not submitted the quarterly compliance report to the stock exchanges as per sub clause VI (ii) of the clause 49.

We state that no investor grievances were pending for a period of one month against the Company as certified by the Registrars & Share Transfer Agents of the Company, based on the records maintained by them.

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

For S.K. KAVATHEKAR & CO
Chartered Accountants,

S.K. Kavathekar
Proprietor
Membership No.13720

Place: Mumbai
Date : 19th August, 2015



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

FORM NO. MGT-9

I REGISTRATION AND OTHER DETAILS:

- i) CIN: L24110MH1982PLC027307
 ii) Registration Date: 3rd June, 1982
 iii) Name of the Company: SM Dyechem Limited
 iv) Category/ Sub-Category of the Company: Public Company
 v) Address of the Registered Office and contact details:
 136, Great Western Building, N.M.Road Extn, Fort, Mumbai 400001
 Website:- Not available, E-mail:got2invest@rediffmail.com
 vi) Whether listed company: Yes
 vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
 M/s. Link Intime India Pvt Ltd,
 C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai 400078,
 Tel No.25946970, Fax No.25946969, email mt.helpdesk@linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All Name and Address of the business activities contributing 10% or more of the total turnover of the company shall be

Sr. No.	Name and Description of main products/ service	NIC Code of the Product / service	% to total service of the Company
1.	Edible Oil	151800	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sr. No.	Name and Address of the Company	CIN/GLN/LLPIN	Holding / Subsidiary / Associate	% of Equity shares held	Applicable Section
1.	Sai Ganesh Properties Pvt. Ltd. ✕	U15201MH2000PTC200339	Holding	69.45%	2(46)

✕ Sai Ganesh Properties Private Limited had transferred 23.94% out of 93.39% of its shareholding to CGS developers Private Limited on 31st March, 2015.

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

l) Category-wise Share Holding

Category Code	Category of Company	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoters									
1	Indian									
(a)	Individual/Hindu Undivided Family		2061	2061	0.01		2061	2061	0.01	
(b)	Central Govt(s)	-	-	-	-	-	-	-	-	
(c)	Central Govt(s)	-	-	-	-	-	-	-	-	
(d)	Bodies Corporate		13852067	13852067	93.40		13852067	13852067	93.40	
(e)	Banks / F1	-	-	-	-	-	-	-	-	
(f)	Any Others (Specify)	-	-	-	-	-	-	-	-	
	Sub Total (A) (1)		13854128	13854128	93.41		13854128	13854128	93.41	

Category Code	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2	Foreign									
(a)	NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b)	Other Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks / F1	-	-	-	-	-	-	-	-	-
(f)	Any Others (Specify)	-	-	-	-	-	-	-	-	-
	Sub Total (A) (2)	-	13854128	13854128	93.41		13854128	13854128	93.41	
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	-	13854128	13854128	93.41		13854128	13854128	93.41	
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds	-	13989	13989	0.09	-	13989	13989	0.09	
(b)	Banks / F1	1946	-	1946	0.01	-	1946	1946	0.01	
(c)	Central Govt(s)	-	-	-	-	-	-	-	-	
(d)	State Govt(s)	-	-	-	-	-	-	-	-	
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	
(f)	Insurance Companies	-	1031	1031	0.01	-	1031	1031	-	
(g)	FIs	-	-	-	-	-	-	-	-	
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
(j)	Any Other (Specify)	-	-	-	-	-	-	-	-	
	Sub Total (B) (1)	1946	15020	16966	0.11	1946	15020	16966	0.11	
(B)2	Non-Institutions									
(a)	Bodies Corporate	-	-	-	-	-	-	-	-	
(b)	Indian	53892	-	53892	0.36	53892	-	53892	0.36	
(c)	Overseas	-	-	-	-	-	-	-	-	
(b)	Individuals	-	-	-	-	-	-	-	-	
(e)	Individual share holding nominal share capital upto Rs. 1 lakh	-	763215	763215	5.15	-	763215	763215	5.15	
(f)	Individual share holders holding nominal share capital in excess of Rs. 1 lakh	-	128742	128742	0.87	-	128742	128742	0.87	
(c)	Others (Specify)	-	13282	13282	0.09	-	13282	13282	0.09	
(h)	Clearing Members	207	-	207	-	207	-	207	-	
(j)	Trusts	-	2	2	0.00	-	2	2	0.00	
(j)	NRI / OCBs	-	-	-	-	-	-	-	-	
(j)	Foreign Nationals	13073	-	13073	0.09	13073	-	13073	0.09	
(j)	Foreign Corporate Body	-	-	-	-	-	-	-	-	
	Sub Total (B) (2)	67172	891959	959131	6.47	67172	891959	959131	6.47	

(B)	Total Public Shareholding (B) = (B)(1)+(B)(2)	69118	906979	976097	6.58	69118	906979	976097	6.58	
	TOTAL (A) + (B)	69118	14761107	14830225	100	69118	14761107	14830225	100	
(C)	Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	
	GRAND TOTAL (A) + (B) + (C)	69118	14761107	14830225	100	69118	14761107	14830225	100	

(ii) Shareholding of Promoters

	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Share	% of total shares of the Company	% of Shares Pledged/encumbered to total Shares	No. of Share	% of total shares of the Company	% of Shares Pledged/encumbered to total Shares	
1	SM Shetty	2001	0.01	Nil	2001	0.01	Nil	No Change
2	Vivek Shetty	9	0.00	Nil	9	0.00	Nil	No Change
3	Geeta Shetty	20	0.00	Nil	20	0.00	Nil	No Change
4	Vaishali M Shetty	19	0.00	Nil	19	0.00	Nil	No Change
5	Vyna Shetty	13	0.00	Nil	13	0.00	Nil	No Change

(iii) Change in Promoter's Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	No Change during the year			
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	No Change during the year			
	At the end of the year	No Change during the year			

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

Category	Category of	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	For Each of the To 10 Shareholders				
1	Sanjay Joshi	103780	0.70	103780	0.70
2	Bhagwan Lokumal Manghnani	9437	0.06	9437	0.06
3	Duru Bhagwandas Manghnani	8222	0.06	8222	0.06
4	Musab Kishore	3264	0.02	3264	0.02
5	B. Manishaben	2418	0.02	2418	0.01
6	Bajal Hemant Kazi	2040	0.01	2040	0.01
7	Rajas P. Joshi	2000	0.01	2000	0.01
8	Gopal L. Rao	2000	0.01	2000	0.01
9	Rajesh Khatri	1738	0.01	1738	0.01
10	Gada Rita B.	1321	0.01	1321	0.01

(v) Shareholding of Directors and Key Managerial personnel :

Sr. No.	For Each of the Directors and KMP	Category	Shareholding at the beginning of the year		Cumulative Shareholding during year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	S.M. Shetty	Managing Director				
	At the beginning of the year		2001	0.01	2001	0.01
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	No change	No change	No change	No change	No change
	At the end of the year		2001	0.01	2001	0.01
2	Mrs. Vaishali Shetty Oza	Non-Executive				
	At the beginning of the year		19	0.00	19	0.00
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	No change	No change	No change	No change	No change
	At the end of the year	Non-Executive	19	0.00	19	0.00
3	Mr. C. R. Murali	Non-Executive				
	At the beginning of the year		2	0.00	2	0.00
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	No change	No change	No change	No change	No change
	At the end of the year	Non-Executive	2	0.00	2	0.00

V INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but bit due for payment : NIL

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
• Addition				
• Reduction				
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Sr. No.	Particulars of Remuneration		
1	Gross Salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Ac6, 1961	-	-
	(b) Value of perquisites u/s. 17(2) Income-Tax Act, 1961	-	-
***	(c) in lieu of Salary under section 17(2) Income-Tax Act, 1961	-	-



2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- Others, specify	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

C. Remuneration to other Director : No Remuneration Paid

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	* Independent Directors	C. R. Murali	-	-	-	Rs. 3,00,000/-
	Fees for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	** Other Non-Executive Directors					
	Fees for attending board committee meetings	Rs. 3,00,000/-	-	-	-	Rs. 3,00,000/-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = (1 + 2)	Rs. 3,00,000/-	-	-	-	Rs. 3,00,000/-
	Total Managerial Remuneration	Rs. 3,00,000/-	-	-	-	Rs. 3,00,000/-
	Overall Ceiling as per the Act	-	-	-	-	-

D Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD : No remuneration Paid

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	Total
1	Gross Salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	-	-
	(b) Value of perquisites u/s. 17(2) Income-Tax Act, 1961	-	-
***	(c) in lieu of Salary under section 17(2) Income-Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- Others, specify	-	-
5	Others, please specify	-	-
	Total	-	-

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment Compounding fees	Authority [RD/ NCLT/COURT]	Appeal made, if any (give details)
A. COMPANY					
		Penalty	-	-	-
		Punishment	-	-	-
		Compounding	-	-	-
B. DIRECTORS					
		Penalty	-	-	-
		Punishment	-	-	-
		Compounding	-	-	-
C. OTHER OFFICERS IN DEFAULT					
		Penalty	-	-	-
		Punishment	-	-	-
		Compounding	-	-	-

**CORPORATE GOVERNANCE**

A detailed report on Corporate Governance, in line with the SEBI prescribed format incorporated in the Listing Agreement is as follows:

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

SM Dyechem Limited aims to be one of the investor friendly Companies in the country. The Company is committed to transparency in all its dealings and to provide high quality products and services to its customers and shareholders, places uncompromising emphasis on integrity and regulatory compliance.

The basic philosophy of Corporate Governance in the Company is to achieve business excellence and enhance shareholders value, keeping in view the needs and interests of its shareholders.

2. BOARD OF DIRECTORS**(I) Composition and Category of Directors:**

The Board of Directors of the Company had a balanced mix of Composition of the Board and also met the stipulated requirements. The following table gives details of directorship, category, attendance at board meetings and attendance at the last Annual General Meeting and number of membership of Board / Committees of various other companies during the year ended 31 March, 2015:

Name of Director	Category of Directorship	No. of other directorship held	# No. of Committee membership in all companies	No. of Board Meetings attended	Attendance at last AGM
Mr. S.M. Shetty†	Chairman & Managing Director	Nil	Nil	6 out of 6	No
Mr. C.R. Murali	Non-Executive & Independent	3	Nil	6 out of 6	Yes
Mr. Sharad Sanghvi *	Non-Executive & Independent	Nil	Nil	6 out of 6	Yes
Mrs. Vaishali Shetty Oza**	Additional Non-Executive	6	Nil	1 out of 6	NA
Mr. Nilesh Gandhi **	Additional Non-Executive	15	Nil	NA	NA
Mrs. Priti Gandhi ***	Additional Non-Executive	Nil	Nil	NA	Yes

No of other directorship does not include directorship in Foreign Companies.

Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies (excluding SM Dyechem Limited) have been considered.

* Mr. Sharad Sanghvi resigned from the Board on 10th April, 2015 resulting in vacancy in the office of the independent director however the necessary requirement was complied within the prescribed time limit on the same date with the appointment of Mr. Nilesh Gandhi as a Non-executive Director-Independent whose appointment will be ratified at the ensuing AGM.

** Mrs. Vaishali Shetty Oza was appointed on 20th March, 2015 as a Non-executive Director-Independent, thereafter she filed the declaration of her independence to the Board. On 27th May, 2015 she subsequently resigned from the board. Thereafter the Company appointed Mrs. Priti Gandhi as a Non-executive Director- Independent on 27th May, 2015.

(II) Attendance of each Director at the Board Meetings, Last Annual General Meeting:

Directors' category, attendance of each Director at the Board meetings/last AGM and details of their other directorships and other committee chairmanships/memberships are as under:

Name of Director	Category	Attendance particulars		
		No. of B/Ms	B/Ms	Last AGM
Mr. S.M. Shetty	Chairman & Managing Director	6	6	N
Mr. Sharad Sanghvi	Non-Executive	6	6	Y
Mr. C.R. Murali	Non-Executive	6	6	Y
Ms. Vaishali Shetty Oza	Non-Executive	6	1	-
Mr. Nilesh M Gandhi	Non-Executive/	6	-	-
Ms. Priti N. Gandhi	Non-Executive	6	-	-

(III) No. & dates of Board Meetings held:

Six Meetings of Board of Directors were held on 30th April, 2014, 30th May, 2014, 12th August, 2014, 14th November, 2014, 13th February, 2015 and 20th March, 2015 during the year.

(IV) Details of Remuneration to all the Directors for the accounting year ended 31st March, 2015: Nil**3. BOARD COMMITTEES****A. AUDIT COMMITTEE**

In terms of Clause 49 of the Listing Agreement as well as Section 177 of the Companies Act, 2013, the Company had constituted an Audit Committee in the year 2001. During the accounting year ended 31st March, 2015, its composition had been as under:-

Four meetings of the Audit Committee were held during the year on 30th May, 2014, 12th August, 2014, 14th November, 2014 and 13th February, 2015 which was well attended.

Members	Category	No. of meeting attend
Mr. C.R. Murali - Chairman	Non-Executive & Independent	4 out of 4
Mr. S.M. Shetty - Member	Executive	4 out of 4
Mr. Sharad Sanghvi * - Member	Non-Executive & Independent	4 out of 1
Mr. Nilesh Gandhi	Non-Executive & Independent	-

Note: Mr Sharad Sanghvi has resigned from the company w.e.f 10th April, 2014 and in his place Mr Nilesh M Gandhi has been appointed as Non-executive Director (he will attain the status of Independent Director on his appointment by the members in the ensuing AGM) and Member of the Audit Committee

The terms of reference of the Audit Committee includes the powers as laid down in Clause 49 III (C), the role as stipulated in Clause 49 III D and review of information as laid down in Clause 49 III E of the Listing Agreement with the Stock Exchange. The scope of activities of the committee is also in consonance with the provisions of Section 177 of Companies Act, 2013.

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company was constituted by the Board on 12th August, 2014 which provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the company. The appointment and remuneration of directors and Key Management Personnel are determined by the Committee.

The terms of reference for the Nomination and Remuneration Committee includes:

- To formulate a Nomination and Remuneration Policy on:
 - Determining qualifications, positive attributes and independence of a director.
 - Guiding remuneration of Directors, Key Managerial Personnel ("KMP") and other employees and Board diversity.
- Recommend Nomination and Remuneration Policy to the Board.
- Identify candidates who are qualified to become Directors.
- Identify persons who are qualified to become Senior Management (Senior Management of the Company means employees of the Company who are Divisional Heads and Corporate Functional Heads). Recommend to the Board the appointment and removal of Directors and Senior Management.
- Lay down the process for evaluation of the performance of every Director on the Board.

The Composition of the Committee during the year ended on 31 March, 2015 is as follows:

Members	Category	No. of meeting attended
Mr. Sharad Sanghvi *	Chairman	1 out of 1
Mr. CR Murali	Member	1 out of 1
Mr. SM Shetty	Member	1 out of 1

* Mr. Sharad Sanghvi resigned from the Board w.e.f. 10th April, 2015 and Mr. Nilesh Gandhi has been subsequently appointed as the chairman of the Committee

C. STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Company has renamed the Shareholders/Investors Grievance Committee as Stakeholder's relationship committee comprising of Mr Sharad Sanghvi and Mr C R Murali.

Mr Sharad Sanghvi is the Non Executive Chairman of the Committee.

There were no meetings held during the year.

No. of complaints received during the period – 4

No. of complaints solved to the satisfaction of shareholders – 4

No. of pending complaints – NIL

Mr. Sharad Sanghvi resigned from Board w.e.f. 10th April, 2015 and subsequently Mr. Nilesh Gandhi was appointed on the same date and designated as the Chairman of the Audit Committee.

4. REMUNERATION OF DIRECTORS

Since the company is a sick Company, registered under BIFR, it does not pay any remuneration to its directors.

Except for Mr. C.R. Murali, no other independent Director was paid sitting fees for attending Board/Committee meetings.

Mr. C.R. Murali holds 2 shares in the Company.

5. GENERAL BODY MEETINGS

Year	Location	Date	Time	Special Resolutions Passed
2011-2012	Utkarsh Mandal Vile Parle, Utkarsh Chowk, Malavia Road, Mumbai 400 057.	27/09/2012	11.30 a.m.	One
2012-2013	Utkarsh Mandal Vile Parle, Utkarsh Chowk, Malavia Road, Mumbai 400 057.	27/09/2013	11.30 a.m.	None
2013-2014	Utkarsh Mandal Vile Parle, Utkarsh Chowk, Malavia Road, Mumbai 400 057.	25/09/2014	11.30 a.m.	None

No resolution was put through postal ballot during the year under review. This year there is no resolution proposed under postal ballot so far.

6. DISCLOSURES:

i. **Details of non-compliances, penalties, strictures by Stock Exchanges / SEBI / Statutory Authorities on any matter related to capital markets during the last three years: The trading of shares has been suspended by the Company due to statutory non-compliances.**

ii. **Inter-se relationships between Directors of the Company for Financial Year ended 31 March, 2015-Mr.Nilesh Gandhi and Mrs. Priti Gandhi are related as husband and wife, as per definition of relatives u/s 2(77) of Companies Act, 2013.**

iii. **Material significant related party transactions which may have potential conflict with the interests of the Company at large:**

The Company has not entered into any material significant transactions with its promoters, Directors or the management or relatives etc. that may have potential conflict with the interest of the Company at large during the year.

Attention of members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts – Note No. 2.28, forming part of Annual Report.

All the related party transactions in the ordinary course of business are placed periodically before the Audit Committee and they are negotiated on arm's length basis and are only intended to further the interest of the Company

iv. **Material financial and commercial transactions of senior management, where they may have had personal interest, and which had potential conflict with the interests of the Company at large: None**

v. Vigil Mechanism/ Whistle Blower Policy

On 30th May, 2014 the Board has approved and adopted Whistle Blower Policy in compliance with Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement. The Company had established a mechanism for Directors and Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our Code of Conduct or Ethics policy. It provides for safeguards against the victimization of Directors and employees who avail of the mechanism, and allows direct access to the chairperson of the Audit Committee in exceptional cases. We further affirm that no director or employee has been denied access to the audit committee during the year 2014-2015.

7. CODE OF CONDUCT

The Board has laid down the Code of Conduct for all Board members and Senior Managerial personnel of the Company. All Directors and Senior Management personnel have affirmed compliance with the Code of Conduct. The Board has authorized the Managing Director to implement and monitor the various requirements as set out in the Code of Conduct and comply with other formalities.

8. CEO/CFO CERTIFICATION

A certificate from Managing Director on the financial statements of the Company was placed before the Board.

9. MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the unaudited financial results in the proforma prescribed by the Stock Exchange, Mumbai and announces the results to all the Stock Exchanges where the Company's shares are listed and also in Financial Express & Mumbai Lakshadeep. Management discussion and analysis is given in the Directors' Report which is part of Annual Report.

10. GENERAL SHAREHOLDER INFORMATION

a) Financial Year 1st April to 31st March

Adoption of Quarterly Results for the quarter ending :

June, 2015	1st / 2nd week of August 2015
September, 2015	1st / 2nd week of November 2015
December, 2015	1st / 2nd week of February 2016
March, 2016	Last week of May, 2016
Date of Book Closure	18th September, 2015 to 22nd September, 2015 (both days inclusive)

Dividend Payment Date Not Applicable

b) 30th AGM - Day, Date, Time and Venue

Day	Date	Time	Venue
Tuesday	22nd September, 2015	11.30 a.m.	Utkarsh Mandal Vile Parle, Utkarsh Chowk, Malavia Road, Vile Parle (E), Mumbai 400057.

c) Listing on Stock Exchanges:

The securities of the Company are listed on Stock Exchange at Mumbai, Ahmedabad, New Delhi, Bangalore, Kolkata, Chennai and Pune. Since the Company is registered under BIFR, trading in shares of the Company has been suspended.

d) Stock Code:

The Stock Code of the Company on (BSE) is 500391. ISIN No. in NSDL & CDSL for equity shares is: INE620A01025.

e) Market Price Data:

High/Low market prices of the Company's shares traded on The Stock Exchange, Mumbai during the year is furnished below:

Period	The Stock Exchange, Mumbai		
	Highest (Rs.)	Lowest (Rs.)	Volumes No. of shares
April, 2014	Trading Suspended		
May, 2014	- do -		
June, 2014	- do -		
July, 2014	- do -		
August, 2014	- do -		
September, 2014	- do -		
October, 2014	- do -		
November, 2014	- do -		
December, 2014	- do -		
January, 2015	- do -		
February, 2015	- do -		
March, 2015	- do -		

f) Market Price performance

During the accounting year 2014-15 the Company's shares remained suspended for trading throughout the period, hence no comparative performance data available.

g) Registrar & Transfer Agent:

M/s. Link Intime India Pvt Ltd is the Registrars and Transfer Agents of the company for Share Transfer Work in physical and electronic mode. The address of Link Intime India Pvt Ltd is as under

LINK INTIME INDIA PVT LTD
C-13, Pannalal Silk Mills Compound,
L. B. S Marg, Bhandup (W),
Mumbai - 400 078h)

h) Distribution of Shareholding:

The distribution of shareholding as on 31st March, 2015 is as follows:

No. of equity	No. of Shares holders	% of shares holders	No. of share held	% of share holding
Upto 500	103171	93.38	843715	86.07
501 to 1000	56	0.05	38815	3.96
1001 to 2000	15	0.01	21418	2.18
2001 to 3000	5	0.01	11232	1.15
3001 to 4000	1	0.00	3264	0.33
5001 to 10000	3	0.01	27610	2.82
10001 & above	3	0.00	34171	3.49
Total	103254	100.00	14830225	100.00

Categories of shareholders as on 31st March, 2015 is as follows:

Category	No. of Shareholders	No. of Shares	% of Shareholding
Promoters	10	13854128	93.42
Companies (Corporate Bodies)	560	53892	0.36
FIs, NRIs, OCBs	584	13070	0.09
Mutual Funds, Banks, FIs	33	16966	0.11
Others	102067	892166	6.02
Total	103254	14830225	100.00

The Application for revocation of suspension of trading is under process.

i) Share Transfer System

M/s. Link Intime Private Limited has been the Registrar & Transfer Agents of the Company. The share transfers which are received in physical form are processed in the cycle of 15 days and the share certificates are returned within 30 days from the date of receipt, subject to the documents being valid and complete in all respect. The power to Share Transfer has been delegated to Registrar and Transfer Agents. Demat requests are processed and completed within an average period of 15 days from the date of receipt provided they are in order.

j) Dematerialization of Shares and Liquidity:

The Company had entered into agreements with the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Limited (CDSL) for dematerialization of its securities in the year 2001.

0.47% of the paid up equity shares capital of the Company have been dematerialized up to 31st March, 2015.

Shares in transit in NSDL	Nil
Shares in transit in CDSL	Nil
Awaiting confirmation from	
-NSDL	Nil
-CDSL	Nil

k) Address for Correspondence

The Compliance Officer, Ms. Meera Shetty can be contacted at the address of the Company's office as mentioned below.

Address:

136, Great Western Building,
Nagindas Master Road Extn,
Fort,
Mumbai 400001
Tel. No. 29201239/40
E-mail ID: got2invest@rediffmail.com

MANAGEMENT RESPONSIBILITY STATEMENT

The Management confirms that the Financial Statements are in full conformity with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India.

The Management confirms that the Financial Statements are in full conformity with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India.

The Management accepts responsibility for the integrity and objectivity of these financial statements as well as for estimates and judgments relating to matters not concluded by the year end. The Management believes that the financial statements of operations reflect fairly the form and substance transactions and reasonably present the Company's financial condition and the results of operations. The Company has a system of internal control which is reviewed, evaluated and updated on an ongoing basis. The financial statements have been audited by M/s. S.K. Kavathekar & Co, Chartered Accountants and have been discussed with the Audit Committee.

For and on behalf of the Board

For **SM DYECHEM LIMITED**

S M Shetty
Chairman & Managing Director
Din No. : 00294206

Nilesh M Gandhi
Director
Din No. : 00028536

Place : Mumbai
Date : 12th August, 2015

SECRETARIAL AUDIT

REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

To,
The Members,
Sm Dyechem Ltd
136, Great Western Building
Nagindas Master Road Extn,
Fort, Mumbai-400001.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SM DYECCHEM LTD (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 Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has adequate 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 Company for the financial year ended on 31st March, 2015 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Other laws applicable to the Company as per the representations made by the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges (BSE);

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 following observations:

- 1) The Company has not appointed Company Secretary and Chief Financial Officer as per Section 203 of the Companies Act 2013 during the Audit period.
- 2) The Company has not complied with the provisions of Section 108 and Clause 35B as to e-voting.
- 3) The Company has not filed some of the e-forms with the Ministry of Corporate Affairs as required under the provisions of the Companies Act, 2013.
- 4) The Company has not submitted shareholding pattern as required under Clause 35 of the Listing Agreement.
- 5) The Company has not complied with Clause 38 of Listing Agreement in time.
- 6) The Company has not complied with the requirement of Clause 41 of the Listing Agreement as to publication of notice of Board Meeting to consider audited/un-audited results.
- 7) The Company has not complied with Clause 47 (C) of the Listing Agreement.
- 8) The Company has not obtained Limited Review Report for the quarter ended 30th June, 2014, 30th September, 2014 and 31st December, 2014.
- 9) The website of the Company is not updated.
- 10) The Company has not submitted the annual disclosures as required under SEBI (Substantial Acquisition & Takeover Regulations), 2011 by the Company.
- 11) The Company has not submitted Secretarial Audit Report of Reconciliation of capital Audit as required under Regulation 55A of SEBI (Depositories & Participants) Regulations, 1996.
- 12) The Company has not submitted disclosures as required under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is change in the composition of the Board of Directors during the period under review.

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

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

I further report that during the audit period no specific events having bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc..

I further report that on 31st March, 2015 the holding company sale 23.94% stake, the relevant disclosures under The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 were made after 31st March, 2015 are not part of this report.

I further report that the Company is a sick Company registered with Board for Industrial & Financial Reconstruction (BIFR). Currently the company is under a scheme of rehabilitation monitored by Industrial Bank of India (IDBI), the Operating Agency (OA) appointed by BIFR.

For Niles A. Pradhan & Co.
Niles A. Pradhan
Practicing Company Secretary

Place: Mumbai
Date: 12th August, 2015

Proprietor
FCS: 5445
CP: 3659

BALANCE SHEET AS AT 31ST MARCH 2015
(Rupees in '000)

Particulars	Note	As At 31- Mar-2015	As At 31- Mar-2014
EQUITY AND LIABILITIES			
Shareholder's Fund			
Share Capital	2.1	1,48,302	1,48,302
Reserved and Surplus	2.2	(2,33,877)	(2,29,198)
		(85,575)	(80,896)
Non - Current Liabilities			
Other Long- Term Liabilities	2.3	24,244	24,286
Long-Term Provisions	2.4	190	166
		24,434	24,452
Current Liabilities			
Trade Payables	2.5	25,512	28,427
Other Current Liabilities	2.6	10,78,125	74,780
		11,03,636	1,03,207
	TOTAL	10,42,496	46,763
ASSETS :			
Non Current Assets			
Fixed Assets			
Tangible Assets	2.7	9,128	9,817
Long Term Loans and Advances	2.8	10,00,000	503
Other Non Current Assets	2.9	38	38
		10,09,166	10,359
Current Assets			
Trade Receivables	2.10	33,167	36,282
Cash and Cash Equivalents	2.11	163	122
		33,330	36,404
	TOTAL	10,42,496	46,763
Significant Accounting Policies			
Notes on Accounts	1 & 2		

As per our report of even date

For and on behalf of the Board

For S. K. KAVATHEKAR & CO.
 Chartered Accountants
 Firm Regn. No. 104944W

 For **SM DYECHAM LIMITED**
S K Kavathekar
 Proprietor
 M. No. 13720

S M Shetty
 Chairman & Managing Director
 Din No. : 00294206

 Place : Mumbai
 Date : 27th May, 2015

Nilesh M. Gandhi
 Director
 Din No. : 00028536

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2015
(Rupees in '000)

Particulars	Note	For the Year Ended	
		31- Mar-2015	31- Mar-2014
CONTINUING OPERATIONS			
Income			
Revenue from Operations	2.12	1,47,911	1,55,042
		<u>1,47,911</u>	<u>1,55,042</u>
EXPENSES			
Material Cost	2.13	1,47,321	1,54,809
Employee Benefits Expenses	2.14	2,348	2,351
Other Expenses	2.15	2,232	1,875
		<u>1,51,901</u>	1,59,035
Profit / (Loss) Before Depreciation and Tax		(3,990)	(3,994)
Depreciation	2.16	690	690
Profit / (Loss) Before Tax		(4,679)	(4,683)
Tax Expenses			
Current Tax		-	-
Profit / (Loss) for the period From continuing operations		(4,679)	(4,683)
Earnings per Equity Share			
Equity Shares of Par Value Rs. 10 each			
Basic & Diluted		(0.32)	(0.32)
Number of shares used in computing Earning per Share			
Basic & diluted		14,830	14,830
Significant Accounting Policies Notes on Accounts	1 & 2		

As per our report of even date

For and on behalf of the Board

For S. K. KAVATHEKAR & CO.
Chartered Accountants
Firm Regn. No. 104944W

For **SM DYECEM LIMITED**

S K Kavathekar
Proprietor
M. No. 13720

S M Shetty
Chairman & Managing Director
Din No. : 00294206

Place : Mumbai
Date : 27th May, 2015

Nilesh M. Gandhi
Director
Din No. : 00028536

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2015

(Rupees in '000)

Particulars	For the Year Ended	
	31- Mar-2015	31- Mar-2014
A) Cash Flow from Operating Activities		
Net Profit / (Loss) before Tax	(4,679)	(4,683)
Adjustment for :		
Depreciation	690	690
Provision for Gratuity	20	20
Provision for Leave Encashment	4	4
	(3,965)	(3,970)
Operating Profit / (Loss) before Working Capital changes in		
Increase / (Decrease) in Trade and Other Receivables	(9,96,382)	(1,422)
Increase / (Decrease) in Trade and Other Payables	10,00,388	5,111
Net Cash from Operating Activities (a)	41	(281)
B) Cash Flow from Investing Activities :		
Purchase of Fixed Assets	--	--
Increase in Share Application / Capital	--	--
Net Cash used in investing Activities (b)	--	--
C) Cash Flow from Financing Activities		
Financial Charges Adjustment	-	-
Net Cash (used)/generated in Financing Activities (c)	-	-
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	41	(281)
Cash and Cash Equivalents (Opening Balance)	122	403
Cash and Cash Equivalents (Closing Balance)	163	122

Note: All Figures in brackets are outflows

As per our report of even date

For **S. K. KAVATHEKAR & CO.**

Chartered Accountants

Firm Regn. No. 104944W

S K Kavathekar

Proprietor

M. No. 13720

Place : Mumbai

Date : 27th May, 2015

For and on behalf of the Board

For **SM DYECHEM LIMITED****S M Shetty**

Chairman & Managing Director

Din No. : 00294206

Nilesh M. Gandhi

Director

Din No. : 00028536

SIGNIFICANT ACCOUNTING POLICIES and NOTES TO ACCOUNTS**1 SIGNIFICANT ACCOUNTING POLICIES****a BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements are prepared under historical cost convention on accrual basis of accounting following generally accepted accounting principles in India and comply with Accounting Standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules 2014 and the provisions of the Act. Accounting policies have been consistently applied by the Company unless otherwise stated. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash & cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

b RECOGNITION OF INCOME & EXPENDITURE

Gross Sale is net of VAT, Rebates, Discounts & sales return but includes excise duty.

Dividend on long term investments is accounted on receipt basis. Items of Income and Expenditure are generally recognised on accrual basis except as stated otherwise.

c FIXED ASSETS:

Fixed assets are stated at cost less depreciation provided. All costs including financing cost are added to the cost of assets till capitalisation.

d DEPRECIATION:

Depreciation on tangible fixed assets has been provided on straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

e INVENTORIES:

BASIS OF VALUATION

Finished goods is valued at cost or net realisable value whichever is less. Obsolete and defective stocks are valued at nil value.

f RETIREMENT BENEFITS:

Gratuity & Leave Encashment liability are provided on actuarial valuation basis.

g INVESTMENTS:

Long term investments are carried at Cost or market price whichever is lower. Provision for diminution in value of Long Term Investments is made only if such a decline is other than temporary in the opinion of the management.

h IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of recoverable amount.

i PROVISION FOR CURRENT TAX AND DEFERRED TAX

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the Tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

j PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

2.1 Share Capital
(Rupees in '000)

Particulars	As At	
	31- Mar-2015	31-March-2014
Authorised		
Equity Shares of Rs. 10 each		
10,00,00,000 (10,00,00,000) Equity Shares	10,00,000	10,00,000
	10,00,000	10,00,000
Issued, Subscribed & Paid up		
Equity Shares of Rs. 10/- each		
1,48,30,225 (1,48,30,225) fully paid up	148,302	148,302
	148,302	148,302

2 NOTES ON ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015
31-March-2015
1. Shares held by Holding Company

	No. of Shares (0'000)	%
Sai Ganesh Properties Pvt. Ltd.	13,850	93.39
	13,850	93.39
31 March-2014		
		13,850
	No. of Shares (0'000)	%
Sai Ganesh Properties Pvt. Ltd.	13,850	93.39
	13,850	93.39

2. Details of Shareholders holding more than 5% shares in the Company

	31-March-2015	
	No. of Shares ('000)	%
Sai Ganesh Properties Pvt. Ltd.	13,850	93.39
	13,850	93.39
31-March-2014		
	No. of Shares ('000)	%
Sai Ganesh Properties Pvt. Ltd.	13,850	93.39
	13,850	93.39

3. The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holders of equity shares is entitled to one vote per share.
4. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	31-March-2015	
	No. of Shares ('000)	Amount ('000)
Equity Shares (Par Value Rs. 10)		
At the beginning of the Year	14,830	1,48,302
Add: Shares issued during the year	-	-
At the end of the Year	14,830	1,48,302
31-March-2014		
	No. of Shares ('000)	Amount ('000)
Equity Shares (Par Value Rs. 10)		
At the beginning of the Year	14,830	148,302
Add: Shares issued during the year	-	-
At the end of the Year	14,830	148,302

Particulars	As At	
	31- Mar-2015	31-March-2014
2.2 RESERVES & SURPLUS		
Profit and Loss Account		
Balance As per last Balance Sheet	(2,29,198)	(2,24,515)
Add: Profit / (Loss) for the year	(4,679)	(4,683)
Closing Balance	(2,33,877)	(2,29,198)
	(2,33,877)	(2,29,198)

2.3 Other Long-Term Liabilities

(Rupees in '000)

Particulars	As At	
	31- Mar-2015	31-March-2014
Trade Payables		
- BIFR Scheme Creditors	1,887	1,928
Sales Tax Payable (As per BIFR Scheme)	22,350	22,350
Investor Education and Protection Fund		
Unclaimed Matured Deposit	7	7
	24,244	24,286

2.4 Long-Term Provisions

(Rupees in '000)

Particulars	As At	
	31- Mar-2015	31-March-2014
Provision for Employee Benefits		
Provisions for Gratuity	166	146
Provisions for Leave Benefits	23	19
	190	166

2.5 Trade Payable

(Rupees in '000)

Particulars	As At	
	31- Mar-2015	31-March-2014
Trade Payables	25,512	28,427
(Refer Note 2.21 for dues to micro and small enterprises)		
	25,512	28,427

2.6 Other Current Liabilities

(Rupees in '000)

Particulars	As At	
	31- Mar-2015	31-March-2014
Other Liabilities		
Provision for Expenses	421	471
Vat Payable	36	69
TDS Payable	276	284
Others	10,77,391	73,956
	10,78,125	74,780

2.7 Fixed Assets

(Rupees in '000)

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	As at 01.04.2014	Addition/ Transfer	Deduction/ Transfer	As at 31.03.2015	Upto 01.04.2014	For the year	Deductions/ Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
FIXED ASSET:										
Plant & Machinery	14,429	-	-	14,429	4,624	689	-	5,312	9,117	9,805
Computers	21	-	-	21	9	1	-	10	11	12
Total	14,450	-	-	14,450	4,633	690	-	5,322	9,128	9,817
Previous Year	14,450	--	-	14,450	3,943	690	-	4,633	9,817	10,507

2.8 Long-Term Loans and Advances

(Rupees in '000)

Particulars	As At	
	31- Mar-2015	31-March-2014
Unsecured, considered good		
Advances recoverable in Cash or kind	10,00,000	503
	10,00,000	503

2.9 Other Non-Current Assets

(Rupees in '000)

Particulars	As At	
	31- Mar-2015	31-March-2014
Others		
Sales Tax Deposit	38	38
	38	38

2.10 Trade Receivables

(Rupees in '000)

Particulars	As At	
	31- Mar-2015	31-March-2014
Debts outstanding for a period exceeding six months		
Unsecured		
Considered Good	-	-
Others		
Considered Good	33,167	36,382
	33,167	36,382

2.11 Cash and Cash Equivalents

(Rupees in '000)

Particulars	As At	
	31- Mar-2015	31-March-2014
Cash on hand	4	5
Balance with Banks		
In Current Accounts	159	118
	163	122

2.12 Revenue from Operations

(Rupees in '000)

Particulars	For the Year Ended	
	31- Mar-2015	31-March-2014
Gross Sales	1,47,911	1,55,042
	1,47,911	1,55,042

2.13 Material Cost

(Rupees in '000)

Particulars	For the Year Ended	
	31- Mar-2015	31-March-2014
Purchases	1,47,321	1,54,809
	1,47,321	1,54,809

**2.14 Employee Benefit Expenses***(Rupees in '000)*

Particulars	For the Year Ended	
	31- Mar-2015	31-March-2014
Salary, Wages, Bonus Gratuity etc.	2,347	2,347
Employee Welfare and other Amenities	1	4
	2,348	2,351

2.15 Other Expenses*(Rupees in '000)*

Particulars	For the Year Ended	
	31- Mar-2015	31-March-2014
Manufacturing Expenses		
Power & Fuel	6	7
Other Manufacturing Expenses	3	7
	9	14
Establishment Expenses		
Rent	119	122
Postage, Telegram & Telephones	3	2
Printing & Stationery	146	118
Legal & Professional Fees	471	842
Directors Meeting Fees	337	337
Travelling & Conveyance	253	241
Auditors' Remuneration	56	56
Financial Charges	1	1
BIFR Scheme Payments	649	-
Other Miscellaneous Expenses	186	142
	2,223	1,862
	2,232	1,875

2.16 Depreciation*(Rupees in '000)*

Particulars	For the Year Ended	
	31- Mar-2015	31-March-2014
Depreciation of Tangible Assets	690	690
	690	690

2.17 The Board of Industrial and Financial Reconstruction (BIFR) has sanctioned the Detailed Rehabilitation Scheme (DRS) submitted by the IDBI Bank Ltd., the Operating Agency vide its order dated 29th May 2008 read with clarificatory letter dated 30th April 2009 and the same is under implementation. Following actions have been taken as per Scheme :

- The Share capital has been restructured in the accounting period 2006-08.
- The Corporate action required for filing with NSDL & CDSL for the reduction and issue of new share capital has since been completed.
- The balances in the securities premium account, capital reserve, general reserve have been set off against the accumulated losses in the accounting period 2006-08.
- Allotment has been made towards Share Application Money of Rs.13,85,00,000/- by issue of 1,38,50,000 equity shares of Rs. 10/- each fully paid up on 30th July 2009.
- The installment of the sales tax arrears which have been crystallized as set out in the scheme has been paid. The balance would be paid as per the scheme.
- The other creditors have been substantially paid as per the scheme.
- In the event of any shortfall in projected profitability, the promoters shall make good the shortfall in cash flow by bringing the same from sources outside the company by way of unsecured loans.

The effect of reduction in number of shares from 100% to 2% have been considered in books of account as envisaged above.

The resultant new equity shares of 9,80,225 of Rs. 10/- each has been approved for listing by the Bombay Stock Exchange Limited. The revocation of trading suspension is under process.

2.18 The accounts have been prepared on a 'going concern' basis in view of the implementation of rehabilitation scheme sanctioned by BIFR.

2.19 Some of the Creditors of the Company have filed winding up petitions in the Court. The Company is contesting these petitions and taking suitable action.

2.20 In the opinion of Management, the Current assets, loans and Advances are approximately of the value stated, if realised in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary, unless stated otherwise.

2.21 The management has not yet identified enterprises which have provided goods & services to the Company and which qualify under the definition of micro, medium & small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

2.22 The Company has taken a legal opinion on disqualification of directors from being appointed as director in other public companies in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956. As per the opinion, none of the directors are disqualified as on 31st March, 2015 from being appointed as a director.

2.23 Deferred Tax

In accordance with Accounting Standard (AS-22) on "Accounting for Tax on Income" notified by the Companies (Accounting Standards) Rules, 2006, the Company can recognize deferred tax assets on carried forward losses and disallowance of expenses in accordance and compliance with AS-22. Deferred tax liabilities are constituting mainly of excess depreciation & expenditure claimed in tax computation. The Company has substantial unabsorbed depreciation and carried forward losses under the Income Tax Act, 1961. However the availability of sufficient future taxable income against which such depreciation and losses can be set off cannot be stated to be virtually certain. Hence, deferred tax asset after adjusting deferred tax liability has not been recognized.

**2.24 Directors Remuneration**

During the year, Rs. 300 thousands has been paid to a Director towards the sitting fees of Board and other meetings (Previous year Rs. 300 thousands). No other remuneration has been paid during the year.

2.25 Retirement Benefits**A. Defined Contribution Plan**

The Company does not have any Provident fund, Superannuation fund and State defined contribution plans e.g. Employers' Contribution to Employees' State Insurance, Employer's Contribution to Employees' Pension Scheme 1995. Hence, these details are not applicable

B. Defined Benefit Plans**a. Gratuity****b. Leave Encashment**

Leave encashment is payable to eligible employees who have earned leaves, during the employment and/or on separation as per the Company's policy.

Valuations in respect of Gratuity and Leave Encashment have been carried out by actuary as at the Balance Sheet date based on the following assumptions:

- | | |
|--|----------|
| i. Discount Rate (Per Annum) | 8.25% |
| ii. Rate of increase in compensation | 4.00% |
| iii. Expected average remaining working lives of Employees in No. of years | 18 years |

Particulars of the Present Value of Obligation as recognized in the Books are given as under :

	Gratuity	
	31-03-2015 (Rs. in '000)	31-03-2014 (Rs. in '000)
Expenses Debited to Profit and Loss Account	20	20
Amount Recognised in Balance Sheet (Liability)	166	146

	Leave Encashment	
	31-03-2015 (Rs. in '000)	31-03-2014 (Rs. in '000)
Expenses Debited to Profit and Loss Account	4	3
Amount Recognised in Balance Sheet (Liability)	23	19

The company is not contributing to any fund for liability towards Gratuity and Leave Encashment and hence the disclosures required by Revised Accounting Standard 15 are given to the extent applicable.

2.26 Segment Information

The company has identified the following reportable business segments:

1. Meal & Oil
2. Snack Foods
3. Chemicals

As at 31-March-2015 (Rs. In '000)

Particulars	Meal & Oil	Snack Foods	Chemicals	Total
Segment Revenue	1,47,911	-	-	1,47,911
Segment Results	590	-	-	590
Unallocable Expenses net of Unallocable income				5,269
Operating Profit/(Loss)				(4,679)
Segment Assets	40,437	1,832	24	42,293
Unallocated Assets				10,00,203
Total Assets				10,42,496
Segment Liabilities	23,992	-	-	23,992
Unallocated Liabilities				11,04,078
Total Liabilities				11,28,070
Capital Expenditure	-	-	-	-
Depreciation	585	104	1	690
Non Cash Expenses	-	-	-	-

As at 31-March-2015

(Rs. In '000)

Particulars	Meal & Oil	Snack Foods	Chemicals	Total
Segment Revenue	1,55,042	-	-	1,55,042
Segment Results	233	-	-	233
Unallocable Expenses net of Unallocable income				4,916
Operating Profit/(Loss)				(4,683)
Segment Assets	44,137	1,935	26	46,098
Unallocated Assets				665
Total Assets				46,763
Segment Liabilities	27,576	-	-	27,576
Unallocated Liabilities				1,00,082
Total Liabilities				1,27,659
Capital Expenditure	-	-	-	-
Depreciation	585	104	1	690
Non Cash Expenses	-	-	-	-

Note: Since entire Business of the Company is conducted within India, there is no separate geographical segment.

2.28 Related Party Disclosures

As per Accounting Standard 18 (AS-18) on 'Related Party Disclosure' notified by the Companies (Accounting Standards) Rules, 2006, the disclosure of transaction with the related parties are given as under :

Name of the Related Party	Nature of Relation
a Sai Ganesh Properties Pvt. Ltd.	Holding Company
b SM Holding & Finance Pvt. Ltd.	Associate
c Venkataramana Food Specialities Ltd.	Associate
d SM Energy Teknik & Electronics Ltd.	Associate
e SM Securities Ltd.	Associate
f Chiteri Biotech Pvt. Ltd.	Associate
g Jatipura Investments Pvt. Ltd.	Associate
h Sam-shet Electronics Pvt. Ltd.	Associate
I Vaishali Shetty	Promoter

Note: Related party relationship is as identified by the Company and relied upon by the auditors.

Sai Ganesh Properties Pvt. Ltd.

Opening Balance	39,970 Cr	39,960 Cr
Advances Received	150 Cr	10 Cr
Advances Paid	514 Dr	- Dr
Closing Balance	39,606 Cr	39,970 Cr

SM Holding & Finance Pvt. Ltd.

Opening Balance	9,367 Cr	9,385 Cr
Advances Received	18 Cr	- Cr
Advances Paid	- Dr	18 Dr
Closing Balance	9,385 Cr	9,367 Cr

Venkataramana Food Spec. Ltd.

Opening Balance	6,452 Cr	3,559 Cr
Advances Received	2,852 Cr	3,918 Cr
Advances Paid	604 Dr	1,025 Dr
Closing Balance	8,700 Cr	6,452 Cr

Sam-shet Electronics Pvt. Ltd.

Opening Balance	698 Cr	698 Cr
Closing Balance	698 Cr	698 Cr

Chiteri Biotech Pvt. Ltd.

Opening Balance	997 Cr	-
Advances Received	2,700 Cr	1,869 Cr
Advances Paid	597 Dr	872 Dr
Closing Balance	3,100 Cr	997 Cr

Vaishali Shetty

Opening Balance	15,902 Cr	15,902 Cr
Closing Balance	15,902 Cr	15,902 Cr

Jatipura Investment Pvt. Ltd.

Opening Balance	66 Cr	66 Cr
Advances Paid	66 Cr	-
Closing Balance	Cr	66 Cr

2.28 Contingent Liabilities

- a. The Company had issued corporate guarantees of Rs. 43,348 thousand in favour of Banks/Institutions against the loans disbursed to Vaishu Engineering Industries Limited, a company under liquidation. Some of the Banks/Institutions have raised claims against the company making the company a party. As the above guarantees expired and were not renewed/extended before the lodgment of the claims by the Banks/Institution, no provision thereof has been considered in the books of account.

b. Others :

Particulars	(Rs. In '000)	
	As at 31-March-2015	As at 31-March-2014
Counter gurantees given to the bankers in respect of gurantees furnished by the Banks	-	100
Sales tax [Central / State(s)] dues under Appeal / Revision	9,000	9,000
Claims against the Company not Acknowledged as debt	43,448	43,448

As per our report of even date

For **S. K. KAVATHEKAR & CO.**
Chartered Accountants
Firm Regn. No. 104944W

S K Kavathekar

Proprietor

M. No. 13720

Place : Mumbai

Date : 27th May, 2015

2.29 Quantitative Information (to the extent applicable)

Particulars	(Rs. In '000)			
	Qty. (Mts.)	As at 31-March-2015 (Amt. '000)	As at 31-March-2014 (Amt. '000)	As at 31-March-2014 (Amt. '000)
Opening Stock	-	-	-	-
Sales				
Meal & Oils	2,542	1,47,911	2,343	1,55,042
Closing Stock	-	-	-	-
Value of Raw Material Consumed				
Particulars		As at 31-March-2014		As at 31-March-2013
Imported		-		-
Indegenous		<u>1,47,321</u>		<u>1,54,809</u>
Total		<u>1,47,321</u>		<u>1,54,809</u>

For and on behalf of the Board

For **SM DYECHEM LIMITED**

S M Shetty

Chairman & Managing Director

Din No. : 00294206

Nilesh M. Gandhi

Director

Din No. : 00028536

REPORT OF THE INDEPENDENT AUDITORS

To the Members of SM Dyechem Limited

Report on the Financial Statements

We have audited the accompanying financial statements of the SM Dyechem Limited, ("the Company") which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow statement for the period ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are require to be included in the Audit Report under the provisions of the Act and Rules made there under. We conducted our audit in accordance with the standards on Auditing specified under section 143 (10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

(a) In the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2015,

(b) In the case of the statement of Profit and Loss, of the Loss for the period ended on that date; and (c) In the case of the Cash Flow statement, of the cash flows for the period ended on that date.

Emphasis of Matter

We draw attention to Note No. 2.18 regarding the preparation of financial statements on a going concern basis for the reasons stated therein and filing of Draft rehabilitation Scheme to Board of Industrial and Financial Reconstruction (BIFR). Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report, to the extent applicable, that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act read with Rules 7 of the Companies (Accounts) Rules, 2014;
- e. on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act (Refer Note No. 2.22);
- f. with respect to the other matter to be included in Auditor Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us,
- (i) The company has disclosed the impact of pending litigation on its financial position in its financial statements- Refer Note no. 2.28;
- (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There has been delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S K Kavathekar & Co.
Chartered Accountants
Registration No. 104944W

S K Kavathekar
Proprietor
Membership No. 13720
Place : Mumbai
Dated : 27th May, 2015

ANNEXURE TO AUDITORS' REPORT

Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of SM Dyechem Limited, ('the Company') on the financial statement for the period ended as on 31st March 2015 we report that:

- (i). (a) The Company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.
- (b) We are informed that most of the fixed assets have been physically verified by the management during the period and that no material discrepancies were noticed on such physical verification. In our opinion, the frequency of such verification is reasonable having regards to the size of the Company and nature of its assets.
- (ii) (a) The closing stock of goods have been physically verified during the period by the management. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. As explained to us, the discrepancies noticed on verification between the physical stocks and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) During the period the Company has not granted any unsecured/secured loans to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore the provisions of Clause 3(iii)(a) and (iii)(b) of the Order are not applicable to the aforesaid Company
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
- (v) The Company has not accepted any deposits from the public within the meaning of Section 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.

(vi) We are informed that the Central Government has prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for certain products in respect of which no manufacturing operations were carried out during the period.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues in respect of Wealth Tax, Excise Duty, Cess and any other statutory dues except Sales Tax, Service Tax, TDS and Investor Education and Protection Fund.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2015 for a period of more than six months from the date of becoming payable except as mentioned below: -

Sr. No.	Name of the statute	Nature of the Dues	Amount (Rs in thousands)
1.	Foreign Trade (Development and Regulation Act, 1992)	Customs Duty	74,009
2.	Central sales Tax Act, 1956 and Sales Tax Act of various states.	Sales Tax	22,412
3.	Indian Stamp Act, 1899	Stamp Duty	3,241
4.	Central Excise Act, 1944	Excise Duty	2,596
5.	Income Tax Act, 1961	Income Tax (TDS)	276
6.	Finance Act, 1994 (Chapter V)	Service Tax	47

(b) The disputed statutory dues aggregating to Rs. 11,417 thousands, that have not been deposited on account of matters pending before appropriate authorities as under:-

Name of the Statute	Nature of the Dues	Amount of Disputed (Net) Rs. In '000	Period to which it relates	Forum where dispute is pending
Central sales Tax Act, 1956 and Sales Tax Act of various states.	Sales Tax	9,000	31.03.07	Various Appellate / Judicial Authorities
Employees Provident Fund Scheme, 1962	Provident Funds	2,417	2004-05	Chief Commissioner Provident Fund

(c) According to the information and explanations given to us, the amounts required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules there under have been transferred to the said fund except as mentioned below:

Sr. No.	Name of the statute	Nature of the Dues	Amount (Rs in thousands)
1.	Companies Act, 1956	Investor Education and Protection Fund	7

(viii) The accumulated losses of the Company are more than fifty percent of its net worth. The company has incurred cash losses during the financial period covered by our audit and also incurred cash losses in the immediately preceding financial period.

(ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution or banks or debenture holders.

(x) As per information and explanation given to us, the Company had issued corporate guarantees of Rs.43,348 thousands for loan taken, by Vaishu Engineering Industries Limited, from banks/financial institutions. We are informed that the company was associate company at the time of issuing guarantees and the terms and conditions thereof were not prejudicial to the interest of the Company.

(xi) In our opinion, and according to the information and explanations given to us, the term loan/advances obtained by the Company have been applied, on an overall basis, for the purposes for which they were obtained.

(xii) In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year that can have a material bearing on the financial position of the Company.

For S K Kavathekar & Co.
Chartered Accountants
Registration No. 104944W

S K Kavathekar
Proprietor
Membership No. 13720
Place : Mumbai
Dated : 27th May, 2015

SM SM DYECEM LTD.

CIN : L24110MH1982PLC027307

Registered Office : 136, Great Western Building, N.M Road Extn. Fort, Mumbai 400 001.
Phone : 91-22-22834793 * email ID: got2invest@rediffmail.com

ATTENDANCE SLIP
30th Annual General Meeting

Please fill in this attendance slip and hand it over at the entrance of the meeting hall

NAME AND ADDRESS OF THE SHAREHOLDER

We hereby record my/our presence at the 30th Annual General Meeting of the Company to be held at Utkarsh Mandal Vile Parle, Utkarsh Chowk, Malavia Road, Vile Parle (E), Mumbai 400057 on Tuesday, the 22nd September 2015 at 11.30 a.m.

SIGNATURE OF THE SHAREHOLDER/PROXY*

***Strike out whichever is not applicable**

SM SM DYECEM LTD.

CIN : L51900MH1982PLC026292

Registered Office : 136, Great Western Building, N.M Road Extn. Fort, Mumbai 400 001.
Phone : 91-22-22834793 * email ID: got2invest@rediffmail.com

PROXY FORM

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

Name of the member (s) : _____

Registered Address : _____

Email-id : _____ Folio No. / Client ID _____

DP ID : _____

I/We, being the member(s) of _____ shares of the **SM ENERGY TEKNIK & ELEC. LTD.**, hereby appoint :

1. Name
Address :
Email id :
Signature
Or failing him / her
2. Name
Address :
Email id :
Signature
Or failing him / her
3. Name
Address :
Email id :
Signature
Or failing him / her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **30th Annual General Meeting** of the Company, to be held on Tuesday, the **22nd September 2015 at 11.30 A.M.** at Utkarsh Mandal Vile Parle, Utkarsh Chowk, Malavia Road, Vile Parle (E), Mumbai 400057 and at any adjournment thereof in respect of the resolutions as indicated below :

Item No.	Description of the Resolution	No. of shares I/We assent	I/We assent to the Resolution (FOR)	I/We assent to the Resolution (AGAINST)
1.	Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors.			
2.	Re-appointment of SM Shetty, who retires by rotation			
3.	Appointment of S.H. Bathiya & Associates LLP as statutory auditors in place of the retiring auditor M/s. S.K. Kavathekar & Associates, Chartered Accounts, and to fix their remuneration.			
4.	Appointment of Mr. C.R. Murali as an Independent director for a term of 3 years effective from 22nd September, 2015.			
5.	Appointment of Mr. Nilesh Gandhi as an Independent director for a term upto 5 years effective from 10th April, 2015.			
6.	Appointment of Mrs. Priti Nilesh Gandhi as an Independent director for a term upto 5 years effective from 19th August, 2015.			
7.	Appointment of Mr. Jimish Goradia as an Independent director for a term upto 5 years effective from 19th August, 2015.			

Signed this _____ day of _____ 2015.

Affix
Revenue
Stamp

Signature of :

Signature of Shareholder(s)

First Proxy Holder

Second Proxy Holder

Third Proxy Holder

Notes :- (1) 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.

(2) Please complete all details including details of member(s) in above box before submission.

Book - Post

To,

If undelivered, please return to :
SM Dyechem Ltd.
136, Great Western Bldg.,
Nagindas Master Road,
Fort, Mumbai - 400 001.