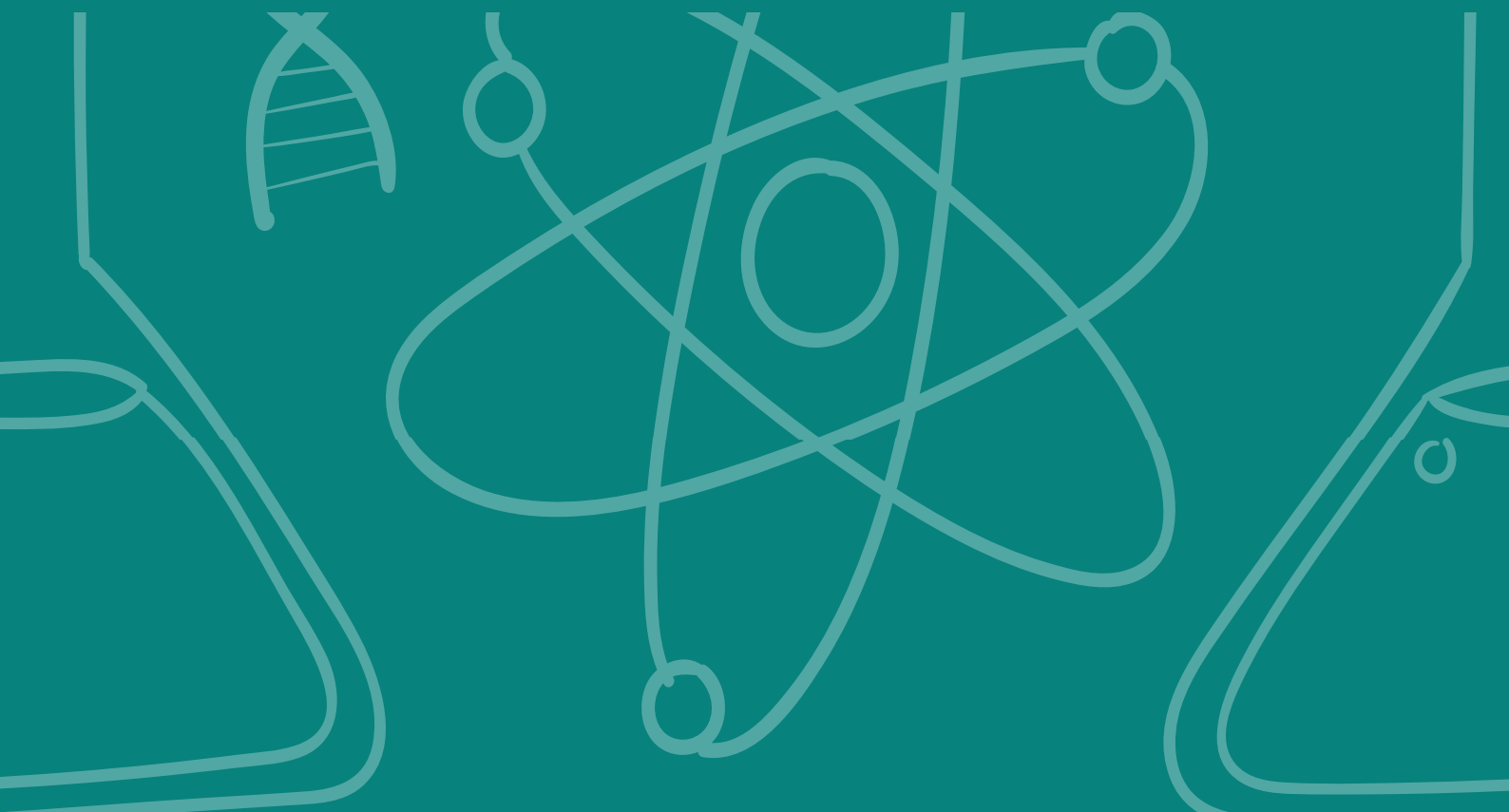




# **GARODIA CHEMICALS LIMITED**

**TWENTY FIFTH ANNUAL REPORT 2016-17**



## DIRECTORS' REPORT

To

The Members,

Garodia Chemicals Limited

Your Directors hereby present the Twenty Fifth Annual Report together with the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2017.

### 1. FINANCIAL STATEMENTS & RESULTS:

#### A. Financial Results

The Company's performance during the year ended 31<sup>st</sup> March, 2017 as compared to the previous financial year, is summarized below:

(Amount in Lakhs)

Particulars	For the financial year ended 31 <sup>st</sup> March, 2017	For the financial year ended 31 <sup>st</sup> March, 2016
Income	0	0
Less: Expenses	22.23	32.64
Profit/ (Loss) before tax	-22.23	581.41
Less: Provision for tax	0	0
Income Tax of earlier years w/off	0	0
Exception Income	0	0
Exception expenditure	0	0
Profit after Tax	-22.23	581.41

#### B. Operations:

During the period under review, the Company has not carried on any business activities.

#### C. Dividend:

Since there has been no activity in the Company, and the Company is running in losses, the Board has thought it prudent not to recommend any dividend for the financial year under review.

#### D. Report on performance of subsidiaries, associates and joint venture companies:

During the year under review, your Company did not have any subsidiary, associate and joint venture company.

#### E. Deposits:

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

#### F. Particular of Contracts or Arrangement With Related Parties

The Company has not entered into any transactions/contracts/arrangements referred to in Section 188(1) of Companies Act, 2013 with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review.

#### G. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished as under:

##### A) Conservation of energy:

Steps taken or impact on conservation of energy	Due to closure of Plant & suspension of manufacturing activities, Company has not spent any substantial amount on Conservation of Energy to be disclosed here.
Steps taken by the company for utilizing alternate sources of energy	
Capital investment on energy conservation equipments	

**(B) Technology absorption:**

Efforts made towards technology absorption	Considering the nature of activities of the Company, there is no requirement with regard to technology absorption.
Benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
• Details of technology imported	Nil
• Year of import	Not Applicable
• Whether the technology has been fully absorbed	Not Applicable
• If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
Expenditure incurred on Research and Development	Nil

**(C) Foreign exchange earnings and Outgo:**

	1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017 [Current F.Y.] Amount in Rs.	1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016 [Previous F.Y.] Amount in Rs.
Actual Foreign Exchange earnings	-	-
Actual Foreign Exchange outgo	-	-

**H. Extract of Annual Return:**

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

**I. Particulars of Investments, Loans, Guarantees and Securities:**

The Company has not made any loans, guarantees and investments covered under Section 186 of the Act.

**J. Disclosures under Section 134(3)(l) of the Companies Act, 2013:**

Except as disclosed elsewhere in this report, no material changes and commitments, which could affect the Company's financial position, have occurred between the end of the financial year of the Company and date of this report.

**K. Disclosure of Internal Financial Controls –**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls.

**2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Board of Directors & Key Managerial Personnel**

**i. Appointment**

In compliance with the requirement for the composition of the Board of the company, Ms. Trupti Bolkeas appointed as an Additional Independent Director of the Company on 13<sup>th</sup> February, 2017 for a period of 5 years subject to approval of the members of the Company in the ensuing Annual General Meeting.

**ii. Retirement by rotation**

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

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Mahesh Garodia (holding DIN: 01250816) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board of Directors recommends the re-appointment of Mr. Mahesh Garodia as a Director of the Company. The detailed profile of Mr. Mahesh Garodia, recommended for re-appointment is mentioned in the Notice for the AGM in pursuance to Secretarial Standards-2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**B. Declarations by Independent Directors:**

The Company has three Independent Directors and the Company has received declarations from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

### 3. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of your Company consists of Four Directors, Company Secretary and CFO on the date of this report as follows:

The Company has following Directors & KMP in the Company:

1. Mr. Mahesh Garodia : Executive, Whole-Time Director
2. Mr. Kunal Naik : Non-Executive Independent Director
3. Mr. Brian Fernandes : Non-Executive Independent Director
4. Ms. Trupti Bolke : Non- Executive Independent Director
5. Ms. Deepti Paliwal : Company Secretary
6. Mr. Harish Kumar Kote : Chief Financial Officer

All the Directors have rich experience and specialized knowledge in various areas of relevance to the Company. The Company has immensely benefited from the range of experience and skills that the presence of diversity of Directors brings to the Board. The composition of the Board is in compliance with the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015.

None of the Directors are disqualified from being appointed/re-appointed as Directors of the Company as per the disclosure received from them pursuant to Section 164(2) of the Companies Act, 2013.

None of the Non-executive Directors have any pecuniary relationships or transactions with the Company which may have potential conflict with the interests of the Company at large.

### 4. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

#### A. Board Meetings:

The Board of Directors met 05 times during the financial year ended 31<sup>st</sup> March, 2017 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The details of the same are as mentioned under:-

Sr. No.	Date of meeting	Names of Directors as on the date of meeting	Directors Present	Directors Absent
1	30 <sup>th</sup> May, 2016	1. Mr. Mahesh Garodia 2. Mr. Kunal Naik 3. Mr. Brian Fernandes	1. Mr. Mahesh Garodia 2. Mr. Kunal Naik 3. Mr. Brian Fernandes	NIL
2	02 <sup>th</sup> August, 2016	1. Mr. Mahesh Garodia 2. Mr. Kunal Naik 3. Mr. Brian Fernandes	1. Mr. Mahesh Garodia 2. Mr. Kunal Naik 3. Mr. Brian Fernandes	NIL
3	12 <sup>th</sup> August, 2016	1. Mr. Mahesh Garodia 2. Mr. Kunal Naik 3. Mr. Brian Fernandes	1. Mr. Mahesh Garodia 2. Mr. Kunal Naik 3. Mr. Brian Fernandes	NIL
4	14 <sup>th</sup> November, 2016	1. Mr. Mahesh Garodia 2. Mr. Kunal Naik 3. Mr. Brian Fernandes	1. Mr. Mahesh Garodia 2. Mr. Kunal Naik 3. Mr. Brian Fernandes	NIL
5	13 <sup>th</sup> February, 2017	1. Mr. Mahesh Garodia 2. Mr. Kunal Naik 3. Mr. Brian Fernandes	1. Mr. Mahesh Garodia 2. Mr. Kunal Naik 3. Mr. Brian Fernandes	NIL

#### B. Audit Committee:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee comprises of:

1. Mr. Kunal Naik, Chairman,
2. Mr. Brian Fernandes, Independent Director and
3. Mr. Mahesh Garodia, Whole-Time Director.
4. Ms. Deepti Paliwal, Company Secretary – Secretary to the Committee.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

The members of the Audit committee met 4 times during the year under review on 20<sup>th</sup> May, 2016, 12<sup>th</sup> August, 2016, 14<sup>th</sup> November, 2016 and 13<sup>th</sup> February, 2017 and all the members of the committee attended the meetings.

## C. Nomination and Remuneration Committee:

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

The composition of the committee is as under:

1. Mr. Kunal Naik, Chairman,
2. Mr. Brian Fernandes, Independent Director
3. Mr. Mahesh Garodia Whole-Time Director and
4. Ms. Trupti Bolke, Independent Director.

In terms of sub-section 3 of Section 178 and Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company has laid down a policy on the selection and appointment of Directors and the Senior Management of the Company and their remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters.

The members of the Nomination and Remuneration committee met 2 times during the year under review on 12<sup>th</sup> August, 2016, and 13<sup>th</sup> February, 2017 and all the members of the committee attended the meetings.

## D. Stakeholders Relationship Committee:

The Stakeholders' Relationship Committee, as constituted by the Board of Directors of the Company is in accordance with the requirement of the Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of Section 178 of the Companies Act, 2013.

The said Committee comprises of Mr. Kunal Naik (Chairman), Mr. Mahesh Garodia and Mr. Brian Fernandes.

One meeting of the Stakeholders' Relationship Committee was held on 13<sup>th</sup> February, 2017 during the year under review and all the Directors attended the meetings.

The Company Secretary of the Company acts as the Secretary of the Stakeholders' Relationship Committee.

## E. Vigil Mechanism Policy for the Directors and Employees:

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

The employees of the Company have the right/opton to report their concern/grievance to Mr. Kunal Naik, the Chairman of the *Audit Committee* / Board of Directors.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

## F. Risk Management Policy:

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

## G. Corporate Social Responsibility Policy:

As per the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee as under:

1. Ms. Brian Lawrence Fernandes - Chairman,
2. Mr. Mahesh Garodia
3. Mr. Kunal Naik

The Board of Directors of the Company has approved CSR Policy based on the recommendation of the CSR Committee.

A meeting of the CSR committee was held on 02<sup>nd</sup> August, 2016 and all the members of the committee attended the same.

This being the first year, the company is in the process of identifying the projects and the roadmap for making spending and hence your Company was unable to initiate the actual expenditure for the CSR activity before 31<sup>st</sup> March, 2017. However, the Company shall initiate the CSR programme in the current financial year 2017-18.

## H. Annual Evaluation of Directors, Committee and Board:

The Board has carried out an annual performance evaluation of its own performance, and of the Directors individually, as well as the evaluation of all the committees i.e. Audit, Nomination and Remuneration, Stakeholders Relationship, and CSR Committee.

The Board adopted a formal evaluation mechanism for evaluating its performance and as well as that of its Committees and individual directors, including the Chairman of the Board the exercise was carried out by feedback survey from each directors covering Board functioning such as composition of Board and its Committees, experience and competencies, governance issues etc. Separate Exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board who were evaluated on parameters such as attendance, contribution at the meeting etc.

## 5. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

### A. Observations of Statutory Auditors on Accounts for the Year Ended 31<sup>st</sup> March 2016:

The observations / qualifications / disclaimers made by the Statutory Auditors in their report for the financial year ended 31<sup>st</sup> March, 2017 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

### B. Secretarial Audit Report for the Year Ended 31<sup>st</sup> March, 2017:

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practising Company Secretary for every listed Company. M/s. Vijay Tiwari and Associates, Company Secretaries had been appointed to issue Secretarial Audit Report for the financial year 2016-17.

Secretarial Audit Report issued by M/s Vijay Tiwari and Associates, Practising Company Secretaries in Form MR-3 for the financial year 2016-17 forms part to this report as 'Annexure II'. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

### C. Appointment of Statutory Auditors:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s M. K. Mehta & Co., (FRN: 129664W) Chartered Accountants, the Statutory Auditors of the Company, were appointed to hold office upto the conclusion of the ensuing Annual General Meeting.

The Board recommends the appointment of M/s. Laxmikant Kabra & Co., Chartered Accountants, (FRN: 117183W), as the statutory Auditors of the Company for a period of 5 years commencing from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held for the financial year ended 31<sup>st</sup> March, 2022. The consent of M/s. Laxmikant Kabra & Co., Chartered Accountants, along with the certificate in pursuance to Section 139 of the Companies Act, 2013 have been obtained to the effect that their appointment, if made, shall be in accordance with the prescribed conditions and that they are eligible to hold the office of Statutory Auditors of the Company.

Necessary resolution for reappointment of the said Auditors is included in the Notice of AGM for seeking approval of members.

## 6. OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

### A. Disclosure of Orders passed by Regulators or Courts or Tribunal

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

### B. Directors' Responsibility Statement:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2017, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2017 and of the loss of the Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

C. **Corporate Governance:**

The Corporate Governance Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements ) Regulation, 2015 of the, is given separately which may be taken as forming part as "Annexure III" to this Report.

D. **Disclosure under Section 43(a)(ii) of the Companies Act, 2013:**

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

E. **Disclosure under Section 54(1)(d) of the Companies Act, 2013:**

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

F. **Disclosure under Section 62(1)(b) of the Companies Act, 2013:**

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

G. **Disclosure under Section 67(3) of the Companies Act, 2013:**

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

H. **Disclosure under Section 197(12) of Companies Act, 2013**

During the financial year under review, the Company did not have any employees on the pay roll of the Company. Therefore, there are no relevant disclosures under the provisions of Section 197(12) of Companies Act, 2013.

I. **Policy on Sexual Harassment of women at workplace:**

As stated earlier, during the financial year under review, the Company did not have any employees.

7. **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is given separately which may be taken as forming part as "Annexure IV" to this Report.

8. **ACKNOWLEDGEMENTS AND APPRECIATION:**

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

FOR GARODIA CHEMICALS LIMITED

Sd/-

MAHESH GARODIA

WHOLE-TIME DIRECTOR AND CHAIRMAN

DIN: 01250816

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

Date : 05<sup>th</sup> May, 2017

Place: Mumbai

**Registered Office:** 149/156, Garodia Shopping Centre,  
Garodia Nagar, Ghatkopar East,  
Mumbai City-400077

**CIN:** L99999MH1993PLC070321

**TEL No:** 022-67983683 **Fax No.** 022-66716149

**Mail:** [gclshares@gmail.com](mailto:gclshares@gmail.com) **website:** [www.gchem.co.in](http://www.gchem.co.in)

## ANNEXURE – I

### FORM NO. MGT – 9

### EXTRACT OF ANNUAL RETURN

(As on the financial year ended on 31<sup>st</sup> March, 2017)

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

#### I. REGISTRATION AND OTHER DETAILS

i.	<b>CIN</b>	L99999MH1993PLC070321
ii.	<b>Registration Date</b>	06 <sup>th</sup> January, 1993
iii.	<b>Name of the Company</b>	Garodia Chemicals Limited
iv.	<b>Category / Sub-Category of the Company</b>	Company having Share Capital
v.	<b>Address of the Registered office and contact details</b>	149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar East, Mumbai- 400077 Contact : 022-67983683 Fax: 022-66716149 Email: gclshares@gmail.com
vi.	<b>Whether listed company</b>	Yes Listed on BSE Ltd.
vii.	<b>Name, Address and Contact details of Registrar and Transfer Agent</b>	Link Intime India Pvt. Ltd C-101,1st Floor, 247 Park, LalBahadurShastri Marg, Vikhroli (West) Mumbai – 400083 Tel No. +91 22 49186000

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products/ services	NIC Code of theProduct/ service	% to total turnover of the company
-	-	-	-

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Share Holding :

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.PROMOTERS</b>									
<b>(1) INDIAN</b>									
a. Individual /HUF	2,33,200	29,92,800	32,26,000	44.80	4,35,800	27,90,200	32,26,000	44.80	-
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	6,11,100	6,11,100	8.49	-	6,11,100	6,11,100	8.49	-
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total A (1) :</b>	<b>2,33,200</b>	<b>36,03,900</b>	<b>38,37,100</b>	<b>53.29</b>	<b>4,35,800</b>	<b>34,01,300</b>	<b>38,37,100</b>	<b>53.29</b>	-



# GARODIA CHEMICALS LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) FOREIGN</b>									
a. NRIs – Individuals	-	-	-	-	-	-	-	-	-
b. Others – Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corporate	-	-	-	-	-	-	-	-	-
d. Banks / FI	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total A(2) :</b>									
<b>Total Shareholding of Promoters A=A(1)+A(2)</b>	<b>2,33,200</b>	<b>36,03,900</b>	<b>38,37,100</b>	<b>53.29</b>	<b>4,35,800</b>	<b>34,01,300</b>	<b>38,37,100</b>	<b>53.29</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. INSTITUTIONS</b>									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Banks / FI	-	100	100	0.0014	-	100	100	0.0014	-
c. Central Govt/ State Govt.(s)	-	7,50,000	7,50,000	10.42	-	7,50,000	7,50,000	10.42	-
d. Venture Capital Funds	-	-	-	-	-	-	-	-	-
e. Insurance Companies	-	-	-	-	-	-	-	-	-
f. FIs	-	-	-	-	-	-	-	-	-
g. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h. Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total B(1) :</b>	<b>-</b>	<b>7,50,100</b>	<b>7,50,100</b>	<b>10.42</b>	<b>-</b>	<b>7,50,100</b>	<b>7,50,100</b>	<b>10.42</b>	<b>-</b>
<b>2. NON-INSTITUTIONS</b>									
a. Bodies Corporate	-	-	-	-	-	-	-	-	-
b. Individuals									
i. Individual shareholders holding nominal share capital upto Rs.1 lakh	87,500	15,33,400	16,20,900	22.51	93,692	15,27,200	16,20,892	22.51	(0.0001)
ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh	19,800	1,88,700	2,08,500	2.90	19,800	1,88,700	2,08,500	2.90	-
<b>c. Others (specify)</b>									
i. Non Resident Indians (Repat)	-	6,17,500	6,17,500	8.58	-	6,17,500	6,17,500	8.58	-
ii. Clearing Members	200	-	200	0.0028	700	-	700	0.0097	0.0069
iii HUF	100	-	100	0.0014	100	-	100	0.0014	-

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
iv.Bodies Corporate	500	88,600	89,100	1.24	8	88,600	88,608	1.23	(0.0069)
vi.Other Directors	-	76,700	76,700	1.07	-	76,700	76,700	1.07	-
<b>Sub-Total B(2) :</b>	<b>1,08,100</b>	<b>25,04,900</b>	<b>26,13,000</b>	<b>36.29</b>	<b>1,14,300</b>	<b>24,98,700</b>	<b>26,13,000</b>	<b>36.29</b>	<b>2.81</b>
<b>Total Public Shareholding B=B(1)+B(2) :</b>	<b>1,08,100</b>	<b>32,55,000</b>	<b>33,63,100</b>	<b>46.71</b>	<b>1,14,300</b>	<b>32,48,800</b>	<b>33,63,100</b>	<b>46.71</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B):</b>	<b>3,41,300</b>	<b>68,58,900</b>	<b>72,00,200</b>	<b>100.00</b>	<b>5,50,100</b>	<b>66,50,100</b>	<b>72,00,200</b>	<b>100.00</b>	<b>-</b>

ii. SHAREHOLDING OF THE PROMOTERS :

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year(01.04.2016)			Shareholding at the end of the year (31.03.2017)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Mahesh Garodia	13,64,600	18.95	-	13,64,600	18.95	-	-
2.	Ms. Nupur Garodia	25,000	0.35	-	25,000	0.35	-	-
3.	Mr. Abhishek Garodia	1,81,700	2.52	-	1,81,700	2.52	-	-
4.	Ms. Aparna Garodia	31,100	0.43	-	31,100	0.43	-	-
5.	Ms. Namrata Garodia	25,000	0.35	-	25,000	0.35	-	-
6.	Ms. Sarita Garodia	1,39,800	1.94	-	1,39,800	1.94	-	-
7.	Ms. Shruti Garodia	2,500	0.03	-	2,500	0.03	-	-
8.	Ms. Usha Garodia	3,700	0.05	-	3,700	0.05	-	-
9.	Mr. Nishant Garodia	14,52,600	20.17	-	14,52,600	20.17	-	-
10.	M/s. Garodia Sons Pvt Ltd	6,11,100	8.49	-	6,11,100	8.49	-	-
	<b>Total</b>	<b>38,37,000</b>	<b>53.29</b>	<b>-</b>	<b>38,37,000</b>	<b>53.29</b>	<b>-</b>	<b>-</b>

iii. CHANGE IN PROMOTERS' SHAREHOLDING

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>Mr. Mahesh Garodia</b>				
	<b>At the beginning of the year</b>	13,64,600	18.95	13,64,600	18.95
	Date wise Increase (+) / Decrease(-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	13,64,600	18.95	13,64,600	18.95

# GARODIA CHEMICALS LIMITED

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>2.</b>	<b>Mr. Nishant Garodia</b>				
	<b>At the beginning of the year</b>	14,52,600	20.17	14,52,600	20.17
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	14,52,600	20.17	14,52,600	20.17
<b>3.</b>	<b>M/s Garodia Sons Pvt Ltd</b>				
	<b>At the beginning of the year</b>	6,11,100	8.49	6,11,100	8.49
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	6,11,100	8.49	6,11,100	8.49
<b>4.</b>	<b>Mr. Abhishek Garodia</b>				
	<b>At the beginning of the year</b>	1,81,700	2.52	1,81,700	2.52
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	1,81,700	2.52	1,81,700	2.52
<b>5.</b>	<b>Ms. Sarita Garodia</b>				
	<b>At the beginning of the year</b>	1,39,800	1.94	1,39,800	1.94
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	1,39,800	1.94	1,39,800	1.94
<b>6.</b>	<b>Ms. Namrata Garodia</b>				
	<b>At the beginning of the year</b>	25,000	0.35	25,000	0.35
	Date wise Increase (+) / Decrease (+) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	25,000	0.35	25,000	0.35
<b>7.</b>	<b>Ms. Nupur Garodia</b>				
	<b>At the beginning of the year</b>	25,000	0.35	25,000	0.35
	Date wise Increase (+) / Decrease (+) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	25,000	0.35	25,000	0.35
<b>8.</b>	<b>Ms. Aparna Garodia</b>				
	<b>At the beginning of the year</b>	31,100	0.43	31,100	0.43
	Date wise Increase (+) / Decrease (+) in Promoters Shareholding during the year.	-	-	-	-
	<b>At the End of the year</b>	31,100	0.43	31,100	0.43
<b>9.</b>	<b>Ms. Shruti Garodia</b>				
	<b>At the beginning of the year</b>	2500	0.03	2500	0.03
	Date wise Increase (+) / Decrease (+) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	2500	0.03	2500	0.03

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>10.</b>	<b>Ms. Usha Garodia</b>				
	<b>At the beginning of the year</b>	3,700	0.05	3,700	0.05
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	3,700	0.05	3,700	0.05

iv. Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>M/s SICOM Limited</b>				
	<b>At the beginning of the year</b>	7,50,000	10.42	7,50,000	10.42
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	7,50,000	10.42	7,50,000	10.42
<b>2.</b>	<b>Mr. Chand Tahilramani</b>				
	<b>At the beginning of the year</b>	71,300	1	71,300	1
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	71,300	1	71,300	1
<b>3.</b>	<b>Mr. Atmaram P Tahilramani</b>				
	<b>At the beginning of the year</b>	41,000	0.57	41,000	0.57
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	41,000	0.57	41,000	0.57
<b>4.</b>	<b>Mr. Maharukh Driver</b>				
	<b>At the beginning of the year</b>	32,000	0.44	32,000	0.44
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	32,000	0.44	32,000	0.44
<b>5.</b>	<b>Mr. Snehal R Kothari</b>				
	<b>At the beginning of the year</b>	25,000	0.35	25,000	0.35
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	25,000	0.35	25,000	0.35
<b>6.</b>	<b>Mr. Rajesh Sadhwani</b>				
	<b>At the beginning of the year</b>	20,000	0.28	20,000	0.28
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	20,000	0.28	20,000	0.28

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>7.</b>	<b>Cosmopolitan Engineers</b>				
	<b>At the beginning of the year</b>	20,000	0.28	20,000	0.28
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	20,000	0.28	20,000	0.28
<b>8.</b>	<b>Mr. Lachman Kishanchand</b>				
	<b>At the beginning of the year</b>	20,000	0.28	20,000	0.28
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	20,000	0.28	20,000	0.28
<b>9.</b>	<b>Mr. Vishal Vohra</b>				
	<b>At the beginning of the year</b>	20,000	0.28	20,000	0.28
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	20,000	0.28	20,000	0.28
<b>10.</b>	<b>Mr. Chandrakant A Shah</b>				
	<b>At the beginning of the year</b>	19,800	0.27	19,800	0.27
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	19,800	0.27	19,800	0.27

v. **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>Mr. Mahesh Garodia</b>				
	<b>At the beginning of the year</b>	13,64,600	18.95	13,64,600	18.95
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	13,64,600	18.95	13,64,600	18.95
<b>2.</b>	<b>Mr. Kunal Naik</b>				
	<b>At the beginning of the year</b>	500	0.006	500	0.006
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	500	0.006	500	0.006
<b>3.</b>	<b>Mr. Brian Fernandes</b>				
	<b>At the beginning of the year</b>	-	-	-	-
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	-	-	-	-

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>4.</b>	<b>Ms. Trupti Bolke</b>				
	<b>At the beginning of the year</b>	-	-	-	-
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	-	-	-	-
<b>5.</b>	<b>Mr. Harish Kote</b>				
	<b>At the beginning of the year</b>	-	-	-	-
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	-	-	-	-
<b>6.</b>	<b>Ms. Deepti Paliwal</b>				
	<b>At the beginning of the year</b>	-	-	-	-
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.	No change during the Financial year under review			
	<b>At the End of the year</b>	-	-	-	-

## V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	7,22,16,862	-	7,22,16,862
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	9,97,001	-	9,97,001
• Reduction	-	-	-	-
<b>Net Change</b>	-	<b>9,97,001</b>	-	<b>9,97,001</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	<b>7,32,13,863</b>	-	<b>7,32,13,863</b>
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>7,32,13,863</b>	-	<b>7,32,13,863</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Mr. Mahesh Garodia (Wholetime Director)	Total Amount
1.	Gross Salary		
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	NIL	NIL
	b. Value of perquisites under Section 17(2) of Income Tax Act, 1961	NIL	NIL
	c. Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	NIL	NIL
2.	Stock Options	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission	NIL	NIL
	- as a % of Profit	NIL	NIL
	- others, specify	NIL	NIL
5.	Others, please specify	NIL	NIL
	Ceiling as per the Act		

### B. Remuneration to other Directors: Not Applicable

Sl. No.	Particulars of Remuneration	Names of Directors	Total Amount
	<b>1. Independent Directors</b>		
	• Fee for attending board / committee meetings	-	-
	• Commission	-	-
	• Others, please specify	-	-
	<b>Total (1)</b>	-	-
	<b>2. Other Non-Executive Directors</b>		
	• Fee for attending board / committee meetings	-	-
	• Commission	-	-
	• Others, please specify	-	-
	<b>Total (2)</b>	-	-
	<b>Total (B)=(1+2)</b>	-	-
	<b>Total Managerial Remuneration</b>	-	-
	<b>Overall Ceiling as per the Act</b>	-	-

### C. Remuneration to Key Managerial Personnel other than MD / Manager/ WTD: Not Applicable

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
<b>1</b>	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-
<b>2</b>	<b>Stock Option</b>	-	-	-

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	-	-	-

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

FOR GARODIA CHEMICALS LIMITED

Sd/-

**MAHESH GARODIA**

**WHOLE-TIME DIRECTOR AND CHAIRMAN**

DIN: 01250816

Address: Namakwala, M. G. Road,

Ghatkopar (East), Mumbai-400077

Place: Mumbai

Date : 05<sup>th</sup> May, 2017



## ANNEXURE – II

### FORM NO. MR. 3

## **SECRETARIAL AUDIT REPORT**

For The Financial Year Ended 31<sup>st</sup> March, 2017

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

To

The Members of

**Garodia Chemicals Limited**

Garodia Shopping Centre,

Garodia Nagar, Ghatkopar (East),

Mumbai – 400077

I have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Garodia Chemicals Limited** (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 31<sup>st</sup> March, 2017 ('**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

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

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

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

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

**We further report that**

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

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

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

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

For Vijay S Tiwari & Associates

Company Secretary

SD/-

(Vijay Tiwari)

ACS No: 33084

COP No: 12220

Place: Mumbai

Date: 04<sup>th</sup> May, 2017

To

The Members,

**Garodia Chemicals Limited**

Garodia Shopping Centre,

Garodia Nagar, Ghatkopar (East),

Mumbai – 400077

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Vijay S Tiwari & Associates**

**Company Secretary**

*Sd/-*

**Vijay Tiwari**

**ACS No: 33084**

**COP No: 12220**

## ANNEXURE III

### (1) Company's Philosophy on the Code of Corporate Governance

Transparency and accountability are the two basic tenets of Corporate Governance. Responsible corporate conduct is integral to the way we do our business. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legislation.

We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code of Conduct inspires us to set standards which not only meet the applicable legislation but also exceed them in many areas of our business operations.

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

### (2) Board of Directors:

#### (a) Composition, category of Directors, attendance of each Director at the meeting of the Board of Directors and the last Annual General Meeting:

Sr. No	Names of Directors	Category	No. of Board meetings attended during the financial year 2016-17	Attendance at the last AGM held on 30 <sup>th</sup> September, 2016
1.	Mr. Mahesh Garodia	Whole-Time Director	5	Yes
2.	Mr. Kunal Naik	Independent Director	5	Yes
3.	Mr. Brian Fernandes	Independent Director	5	Yes
4.	Ms. Trupti Bolke	Independent Director	NA	NA

#### (b) Number of other Board of Directors or committees in which a Director is a member or Chairperson:

Names of the Directors	No. of Directorships	No. of Committee Memberships in Public Limited Companies	
		Memberships	Chairmanships
Mr. Mahesh Garodia	4	-	-
Mr. Kunal Naik	1	-	-
Mr. Brian Fernandes	2	-	-
Ms. Trupti Bolke	1	-	-

(i) Membership of Committees includes Chairmanship, if any excluding Garodia Chemicals Limited.

#### (c) Number of meetings of the Board of Directors held and dates on which held;

During the financial year under review, a total of 5 meetings were held, the details of which are enumerated in the Directors' report.

#### (d) Disclosure of relationships between Directors inter-se;

*There is no relationship between Directors inter-se*

#### (e) Number of shares and convertible instruments held by Nonexecutive Directors:

Names of the Directors	No of shares held	No. of convertible instruments held
Mr. Kunal Naik	500	-
Mr. Brian Fernandes	-	-
Ms. Trupti Bolke	-	-

#### (f) Web link where details of familiarisation programmes imparted to independent directors is disclosed:

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

The web link of the Company is [www.gchem.co.in](http://www.gchem.co.in)

### (3) AUDIT COMMITTEE:

The object of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosure and oversee the integrity and quality of the financial reporting.

The Committee acts as a link between the Statutory Auditors and the Board of Directors of the Company.

#### (a) Brief description of terms of reference:

The terms of reference of the Audit Committee are wide enough to cover the matters specified for Audit Committees under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 as well as in Section 177 of the Companies Act, 2013.

#### (b) Composition, name of members and chairperson:

Sr No.	Composition	Members/ Chairperson
1.	Mr. Kunal Naik	Chairperson
2.	Mr. Brian Fernandes	Member
3.	Mr. Mahesh Garodia	Member

#### (c) Meetings and attendance during the year.

The Audit Committee met four times during the Financial year 2016-17 i.e. on 30<sup>th</sup> May, 2016 12<sup>th</sup> August, 2016, 14<sup>th</sup> November, 2016 and 13<sup>th</sup> February, 2017. All the Directors were present in the all the meeting.

### (4) NOMINATION AND REMUNERATION COMMITTEE:

The Company has duly constituted Nomination and Remuneration Committee consisting of three Non-Executive Directors, all of whom are Independent Director complying with the provision of Section 178 of the Companies Act, 2013 read with the Rules made thereunder & Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015

#### (a) Brief description of terms of reference:

- 1) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director.
- 2) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a Policy relating to the remuneration for the Directors, Key Managerial Personnel and Other Employees,
- 3) To formulate the criteria for evaluation of Independent Directors and the Board;
- 4) To devise a policy on Board diversity;
- 5) Any other matter as the NRC Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

#### (b) Composition, name of members and chairperson:

Sr. No.	Composition	Members/ Chairperson
1.	Mr. Kunal Naik	Chairperson
2.	Mr. Brian Fernandes	Member
3.	Mr. Mahesh Garodia	Member
4.	Ms. Trupti Bolke	Member

#### (c) Meeting and attendance during the year:

Two meetings of the Nomination and Remuneration Committee was held during the year on 12<sup>th</sup> August, 2016, and 13<sup>th</sup> February, 2017.

All the members of the Committee were present at the meeting.

#### (d) Performance evaluation criteria for Independent Directors –

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements), Regulation, 2015 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees. The evaluation exercise was carried out on various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of the duties and obligations, governance issues, etc.

Separate exercise was carried out to evaluate the performance of individual Directors including the Chairman by the Nomination and Remuneration committee as per the structured mechanism who were evaluated on following parameters / criteria:

- Participation and contribution by a Director,
- Commitment (including guidance provided to senior management outside of Board / Committee meetings),
- Effective deployment of knowledge and expertise,
- Effective management of relationship with stakeholders,
- Integrity and maintenance of confidentiality,
- Independence of behaviour and judgment,
- Observance of Code of Conduct, and
- Impact and influence.

**(5) REMUNERATION OF DIRECTORS:** No remuneration has been paid

**(a) All pecuniary relationship or transactions of the Non-executive Directors' vis-à-vis the listed entity:**

The Non-executive Directors of the Company have no pecuniary relationship vis-à-vis the listed entity.

**(b) Criteria of making payments to Non-executive Directors:**

No payment is made to Non-Executive Directors

**(c) Disclosures with respect to remuneration:** No remuneration is being paid to Non-Executive Director

**(i) All elements of remuneration package of individual Directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;**

Not Applicable

**(ii) Details of fixed component and performance linked incentives, along with the performance criteria;** Not Applicable

**(iii) Service contracts, notice period, severance fees;** Not Applicable

**(iv) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.**  
Not Applicable

**(6) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The object of the Corporate Social Responsibility Committee (hereinafter referred to as "CSR Committee") is to identify suitable avenues for investment of Companies funds towards Corporate Social Responsibility activities.

**(a) Brief description of terms of reference:**

The terms of reference of the CSR Committee are wide enough to cover the matters specified for CSR Committees under in Section 135 and Schedule VII of the Companies Act, 2013.

**(b) Composition, name of members and chairperson;**

Sr No.	Composition	Members/ Chairperson
1.	Mr. Brian Fernandes	Chairperson
2.	Mr. Mahesh Garodia	Member
3.	Mr. KunalNaik	Member

**(c) Meetings and attendance during the year.**

One meeting of the CSR Committee was held during the year on 02<sup>nd</sup> August, 2016. All the Directors were present in the meeting.

**(7) STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Board has Stakeholders Relationship Committee for speedy disposal of Grievances/ complaints relating to Shareholders/investors transfer of shares, non-receipt of declared dividend, on-receipt of Balance sheet and Profit & loss Account etc.

The Company maintains continuous interaction with the Registrar and Transfer Agent of the Company (RTA) and takes proactive steps and actions for resolving complaints/queries of the shareholders/investors. The Committee oversees the performance of the RTA and recommends measures for overall improvement in the quality of investor services.

Mr. Mahesh Garodia has been appointed as the Compliance Officer.

**(A) Name of non-executive director heading the committee;** Mr. Kunal Naik

**(B) Name and designation of compliance officer;** Mr. Mahesh Garodia

Status of complaints received from the shareholders of the Company during the financial year 2016-2017 is as under:

No of Complaints at the Start of the Year	0
No of Complaints received during the year	2
No of Complaints Resolved	0
No of Complaints at the end of the Year	2

## (8) GENERAL BODY MEETINGS:

The Annual General Meeting of the Company as per Section 96 of the Companies Act, 2013 for Financial Year 2016-17 will be held on 30<sup>th</sup> September, 2017 at 11:00 A.M. at the registered office of the Company.

(a) **Location and time, where last three Annual General Meetings held;** Annual General Meeting for the last 3 financial year were held as under :-

Location	Time	Financial Year
149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (East), Mumbai – 400077	10:00 A.M	2015-16
	10:00 A.M	2014-15
	11:00 A.M	2013-14

(b) **Whether any special resolutions passed in the previous three annual general meeting** -Yes

(c) **Whether any special resolution passed last year through postal ballot** – No

(d) **Person who conducted the postal ballot exercise:** Not Applicable

(e) **Whether any special resolution is proposed to be conducted through postal ballot:** No

(f) **Procedure for postal ballot.** Not Applicable

## (9) MEANS OF COMMUNICATION:

(a) **Quarterly results:**

Quarterly results of the Company are intimated by publication in newspapers and submission to Bombay Stock Exchange as per Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

(b) **Newspapers wherein results normally published:**

The quarterly/half-yearly and annual results of the Company are published in (Financial Express) English daily newspaper and in (Apla Mahanagar) Marathi daily newspaper (where the Registered Office of the Company is situated).

(c) **Any website, where displayed:** [www.gchem.co.in](http://www.gchem.co.in)

(d) **Whether it also displays official news releases:** Yes

(e) **Presentations made to institutional investors or to the analysts:** Nil

## (10) GENERAL SHAREHOLDER INFORMATION

(a) **Annual General Meeting**

The Annual General Meeting (AGM) for the financial year 2016-17 will be held on 30<sup>th</sup> September, 2017 at 11:00 A.M. at the Registered Office of the Company.

(b) **Financial Year:**

The Financial Year of the Company is from 1<sup>st</sup> day of April, 2016 in a year till 31<sup>st</sup> March, 2017.

(c) **Dividend payment date:** Not Applicable

(d) **The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s):**

Bombay Stock Exchange,

PhirozeJeejeebhoy Towers,

Dalal Street, Mumbai- 400001

The Company hereby confirms the payment of annual listing fees to Stock Exchange.

(e) **Stock code:** 530161

**(f) Market price data- high, low during each month in last financial year;**

Month & Year	Share Price of Garodia Chemicals Limited on BSE				BSE Sensex	
	Month's High (Rs.)	Month's Low (Rs.)	Month's Closing Price (Rs.)	Volume of shares traded (In no.)	Month's High (Index point)	Month's Low (Index point)
April, 2016	-	-	-	-	-	-
May, 2016	-	-	-	-	-	-
June, 2016	-	-	-	-	-	-
July, 2016	-	-	-	-	-	-
August, 2016	-	-	-	-	-	-
September, 2016	-	-	-	-	-	-
October, 2016	-	-	-	-	-	-
November, 2016	-	-	-	-	-	-
December, 2016	30.40	30.40	30.40	200	-	-
January, 2017	30.45	30.45	30.45	500	-	-
February, 2017	28.95	28.95	28.95	400	-	-
March, 2017	-	-	-	-	-	-

**(g) Performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc - Not Applicable**

**(h) In case the securities are suspended from trading, the Director's report shall explain the reason thereof: Not applicable**

**(i) Registrar to an issue and share transfer agents: Link Intime (India) Pvt. Ltd**

**(j) Share transfer system:**

The process of recording of share transfers, transmissions, etc., for shares held in electronic form is handled by Link Intime (India) Pvt. Ltd (RTA) and a report thereof is sent to the Company periodically and the Stakeholders' Relationship Committee of the Company takes note of the same at its meetings. In respect of shares held in physical form, the transfer documents are lodged with the RTA and after processing, the same are sent to the company and the Stakeholders' Relationship Committee conveys its approval to the Registrars, who dispatch the duly transferred share certificates to the shareholders concerned after complying with the applicable provisions. The average time taken for processing share transfer requests (in physical) including dispatch of share certificates is 15 days.

**(k) Distribution of shareholding:**

The Distribution of Shareholding is same as mentioned in MGT-9 in 'Annexure I' to the Board's Report.

**(l) Dematerialization of shares and liquidity:**

The Company has admitted its shares to the depository system of Central Depository Services (India) Limited (CDSL) for dematerialization of shares. The International Securities Identification Number (ISIN) allotted to the Company is INE236P01010. The equity shares of the Company are compulsorily traded in dematerialized form as mandated by SEBI.

As on 31<sup>st</sup> March, 2017, 5,50,100 of outstanding Equity shares of the Company are held in dematerialized form.

**(m) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity;**

*The Company does not have global depository receipts or American depository deposits.*

**(n) Commodity price risk or foreign exchange risk and hedging activities:**

*Not Applicable*

**(o) Address for correspondence.**

Mr. Mahesh Garodia  
 Whole-Time Director & Chairman.  
 149/156, Garodia Shopping Centre, Garodia Nagar, Ghatkopar (East), Mumbai – 400077  
 Phone: +91 22 - 67983683, Fax: +91 22 - 66716149  
 Email: [gclshares@gmail.com](mailto:gclshares@gmail.com)



**(p) Plant Locations:**

Garodia Nagar, Ghatkopar (East), Mumbai, Maharashtra: 400077, India

**(11) OTHER DISCLOSURES:**

**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;**

*Not Applicable*

**(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years;**

The Company has complied with all the requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 entered into with the Stock Exchanges as well as guidelines of SEBI during the year under review. However, the trading activities of the Company had been suspended due to non-payment of Annual Listing fees in the year 2013 and for non-compliance of applicable provisions of SEBI Regulations.

**(c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee;**

The Company has established a vigil mechanism to enable Directors and employees to report genuine concerns and grievances about any incident of violation /potential violation of law or the Code of Conduct laid down by the Company. The mechanism lays down the overall framework and guidelines for reporting genuine concerns. The details of this mechanism are given in the Corporate Governance Report which may be taken as forming part of this Report. These are also posted on the website of the Company.

**(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

The Company has complied with all the mandatory requirements of Regulation 27 of SEBI (Listing Obligations And Disclosures Requirements), Regulation, 2015. However, the Company is in process of adoption of Non-Mandatory Provisions of Regulation 27 of SEBI (Listing Obligations And Disclosures Requirements), Regulation, 2015.

**(e) web link where policy for determining 'material' subsidiaries is disclosed;**

The Company does not have material subsidiaries. Hence no such policy has been adopted.

**(f) web link where policy on dealing with related party transactions;**

*Not Applicable*

**(g) Disclosure of commodity price risks and commodity hedging activities;**

*Not Applicable*

**(12) Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed;**

*Not Applicable*

**(13) The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.**

None of the matters enlisted in Part E of Schedule II of the SEBI (Listing Obligations and Disclosures Requirements), Regulation, 2015 has been adopted by the Company.

**(14) The disclosures of the compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 shall be made in the section on corporate governance of the annual report.**

The following are the Disclosures with respect to the Compliances from Regulation 17 to 27

- Regulation 17 has been complied with.
- Regulation 18, 19 & with respect to committees have been complied with.
- Regulation 21 with respect to risk management committee is not applicable to the Company.
- Regulation 22 has been complied with.
- Regulation 23 has been complied with.
- Regulation 24 is not applicable to the Company.
- Regulation 25 has been complied with.
- Regulation 26 has been complied with.
- Regulation 27 is not applicable to the Company. However Company has complied with.
- Regulation 46(2) has been complied with.

- (15) Declaration signed by the chief executive officer stating that the members of the Board of Directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.

Regulation 33(1)(e) of the SEBI (Listing Obligations and Disclosures Requirements), Regulation, 2015 is not mandatory for the Company. Hence, the Company has not obtained CEO/CFO certification and Compliance certificate on corporate governance from the Auditor/Company Secretary in practice.

- (16) Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the Directors' Report.

Compliance of revised Regulation 27 of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 is not mandatory for the Company. Hence, the Company has not obtained the CEO/CFO certification and Compliance Certificate on Corporate Governance as per the provisions of revised Regulation 27 of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015

- (17) Disclosures with respect to demat suspense account/ unclaimed suspense Account:

*Not Applicable*

- (1) The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:

- (a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year:

*Not Applicable*

- (b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year;

*Not Applicable*

- (c) number of shareholders to whom shares were transferred from suspense account during the year;

*Not Applicable*

- (d) Aggregate number of shareholder and the outstanding shares in the suspense account lying at the end of the year;

*Not Applicable*

- (e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares;

*Not Applicable*

FOR GARODIA CHEMICALS LIMITED

Sd/-

MAHESH GARODIA

WHOLE-TIME DIRECTOR AND CHAIRMAN

DIN: 01250816

Address: Namakwala, M. G. Road,

Ghatkopar (East), Mumbai-400077

Place: Mumbai

Date : 05<sup>th</sup> May, 2017

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE AND DEVELOPMENT:**

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

**OPPORTUNITIES & THREATS:**

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

**SEGMENT WISE OPERATIONAL PERFORMANCE:**

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

**OUTLOOK:**

Your Company, keeping pace with the overall market scenario has grown significantly in the past years. However, the financial performance of the Company has declined in the previous financial year. The Management expects to improve the growth in the years to come, subject to favourable market conditions, and stable economic policies.

**RISKS AND CONCERNS:**

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

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :**

The Company has in place adequate internal control systems covering all its operations. Proper accounting records highlight the economy and efficiency of operations, safeguarding of assets against unauthorized use or losses, and the reliability of financial and operational information.

Some of the significant features of internal control system are:

- Financial and Commercial functions have been structured to provide adequate support and control of the business.
- Risk Management policy has been adopted by the Company.
- The Company has an Internal Audit System conducted by the internal auditor of the Company. Standard operating procedures and guidelines are reviewed periodically to ensure adequate control.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :**

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

**HUMAN RESOURCES:**

Your Company continuously endeavours to improve the work environment for its employees. Competitive compensation package, innovative and challenging environment to work, transportation facilities, etc., are some of the steps taken by the Company for the welfare of its employees.

**CAUTIONARY STATEMENT:**

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

**FOR GARODIA CHEMICALS LIMITED**

Sd/-

**MAHESH GARODIA**

**WHOLE-TIME DIRECTOR AND CHAIRMAN**

**DIN:** 01250816

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

**Date :** 05<sup>th</sup> May, 2017

**Place:** Mumbai

## INDEPENDENT AUDITORS' REPORT

To the Members of Garodia Chemicals Limited,

### Report on the Financial Statements.

1. We have audited the accompanying financial statements of **Garodia Chemicals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the 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) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

### Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements:

8. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **the Annexure-A** a statement on the matters specified in paragraphs 3 and 4 of the Order.
9. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- b. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls system over financial reporting of the company and the operating effectiveness of such controls, we give our report in the **Annexure-B**;
- g. With respect to the other matters in terms of Rule 11 of Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For M.K. MEHTA & CO,

CHARTERED ACCOUNTANTS,

(Registration No. 129664W)

Sd/-

(M.K. MEHTA)

PROPRIETOR

MEMBERSHIP NO.47739

PLACE OF SIGNATURE: MUMBAI.

DATE: 5<sup>th</sup> May, 2017

## ANNEXURE-A

### REFERRED TO IN PARAGRAPH 8 OF OUR INDEPENDENT AUDITORS' REPORT OF EVEN DATE

- i) (a) The fixed assets owned by the company are land and buildings as reflected in note no.8 annexed to the Financial Statements. The company has maintained records for the same.
- (b) As per the information and explanations given to us, these fixed assets have been physically verified by the management.
- (c) As explained to us, the titled deeds of immovable properties are held in the name of the company.
- ii) (a)to(c) As per the information and explanations given to us, the company does not have any inventory. Hence, no further comments are given in relation to the same.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered by clause (76) of section 2 of the Act. Accordingly, the clauses (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the Order are not applicable to the company.
- iv) There are no loans, investments, guarantees and security to which provisions of section 185 and 186 of the Act are applicable. Accordingly, the clause (iv) of paragraph 3 of the Order is not applicable to the company.
- v) As explained to us, the company has not accepted deposits to which directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under are applicable. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the company.
- vi) In view of the suspension of the manufacturing operations, the cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, have not been made and maintained by the company.
- vii) a) According to the information and explanations given to us and records of the company examined by us, in view of suspension of manufacturing and other business activities for last number of years, in our opinion, the company has no liability of depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, applicable to it with the appropriate authorities. According to the information and explanations given to us, there were no undisputed statutory dues which have remained outstanding as at 31<sup>st</sup> March, 2017 for a period more than six months from the date they became payable;
- b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- viii) According to the information and explanations given to us and the records of the company examined by us, the company has not defaulted in repayment of dues to bank during the year under reference. The company has not borrowed any moneys from any financial institution or government or debenture holders during the year under reference.
- ix) In our opinion and according to the information and explanations given to us, the company has not taken any terms loans during the year under reference. The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).
- x) On the basis of our examination and according to the information and explanations given to us, no fraud, by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi) The company has not paid or provided any managerial remuneration during the year under reference and hence, the clause (xi) of paragraph 3 of the Order is not applicable.
- xii) The company is not a Nidhi company. Accordingly, the clause (xii) of paragraph 3 of the Order is not applicable to the company.
- xiii) According to the information and explanations given to us and the records of the company examined by us, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

- (xiv) According to the information and explanations given to us and the records of the company examined by us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the clause (xiv) of paragraph 3 of the Order is not applicable to the company.
- (xv) According to the information and explanations given to us and the records of the company examined by us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the clause (xv) of paragraph 3 of the Order relating to the compliance to the provisions of section 192 of the Act is not applicable to the company.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the clause (xvi) of paragraph 3 of the Order is not applicable to the company.

For M.K. MEHTA & CO,

CHARTERED ACCOUNTANTS,

(Registration No. 129664W)

Sd/-

(M.K. MEHTA)

PROPRIETOR

MEMBERSHIP NO.47739

PLACE OF SIGNATURE: MUMBAI.

DATE : 5<sup>th</sup> May, 2017.

## ANNEXURE-B

### REFERRED TO IN PARAGRAPH 9(f) OF OUR INDEPENDENT AUDITORS' REPORT OF EVEN DATE

1. We have audited the internal financial controls over financial reporting of Garodia Chemicals Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For M.K. MEHTA & CO,

CHARTERED ACCOUNTANTS,

(Registration No. 129664W)

Sd/-

( M.K. MEHTA)

PROPRIETOR

MEMBERSHIP NO.47739

PLACE OF SIGNATURE: MUMBAI.

DATE : 5<sup>th</sup> May, 20167.

## BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	2	72002000	72002000
(b) Reserves and Surplus	3	(136643529)	(134419549)
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	4	73213863	72216862
(b) Trade payables	5	870252	870252
(c) Other current liabilities	6	3888413	3885452
<b>TOTAL</b>		13330999	14555017
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	7	12572538	13694068
(ii) Capital work-in-progress		11400	11400
(b) Non-current investments	8	0	0
(c) Long-term loans and advances	9	615000	615000
<b>(2) Current assets</b>			
(a) Inventories	10	0	0
(b) Trade receivables	11	0	0
(c) Cash and Bank Balances	12	132064	234549
<b>TOTAL</b>		13331002	14555017
Notes forming part of Financial Statements	1 to 23	-3	0

AS PER OUR REPORT OF EVEN DATE

FOR M.K. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
REGISTRATION NO.: 129664W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SD/-  
(MILIND K. MEHTA)  
PROPRIETOR  
MEMBERSHIP NO. 47739

SD/-  
MAHESH GARODIA  
WHOLE-TIME DIRECTOR  
AND CHAIRMAN  
DIN: 01250816

SD/-  
HARISHKUMAR KOTE  
CHIEF FINANCIAL OFFICER

SD/-  
DEEPTI PALIWAL  
COMPANY SECRETARY  
DIN : 38514

SD/-  
KUNAL NAIK  
DIRECTOR  
DIN : 02689478

MUMBAI.  
DATED : 5TH MAY, 2017

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	For the year ended 31/03/2017 Rs.	For the year ended 31/03/2016 Rs.
I. Revenue from operations		0	0
<b>III. Total Revenue (I + II)</b>		<b>0</b>	<b>0</b>
IV. Expenses:			
1) Changes in inventories of finished goods, work-in-process and Stock-in-Trade	13	0	0
2) Employee benefits expense	14	60000	60000
3) Depreciation and amortization expense	8	1121530	1121500
4) Other expenses	15	1042450	1081633
5) Modvat receivable written off			1001817
<b>Total expenses</b>		<b>2223980</b>	<b>3264950</b>
V. Loss before Exceptional and Extra ordinary items and tax (III-IV)		-2223980	(3264950)
VI. Extra-Ordinary item	16	0	61406114
VII. Profit after extra ordinary items and tax(V+VI)		-2223980	58141164
VIII. Profit before tax (VII-VII)		-2223980	58141164
IX. Tax expense:			
(1) Current tax :		0	0
(2) Deferred tax		0	0
		-2223980	58141164
IX. Profit/(Loss) for the period from continuing operation		-2223980	58141164
X. Profit/(Loss) for the period		-2223980	58141164
XI. Earnings per equity share:			
1) Basic	17	-0.31	8.07
2) Diluted	17	-0.31	8.07
<b>Notes forming part of Financial Statements</b>	1 to 23		

AS PER OUR REPORT OF EVEN DATE

FOR M.K. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
REGISTRATION NO.: 129664W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SD/-  
(MILIND K. MEHTA)  
PROPRIETOR  
MEMBERSHIP NO. 47739

SD/-  
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WHOLE-TIME DIRECTOR  
AND CHAIRMAN  
DIN: 01250816

SD/-  
HARISHKUMAR KOTE  
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DEEPTI PALIWAL  
COMPANY SECRETARY  
DIN : 38514

SD/-  
KUNAL NAIK  
DIRECTOR  
DIN : 02689478

MUMBAI.  
DATED : 5TH MAY, 2017

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

Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	-2223980	58141164
Add : Adjustments for :		
Depreciation Expense	1121530	1121500
Finance Cost written back	0	-61406114
Finance Cost incurred		
Modvat receivable written off	0	1001817
Operating Loss before working capital changes	(1102450)	(1141633)
Increase/(Decrease) in current liabilities	2964	(14328)
Cash generated from operations	-1099486	-1155961
Less :- Income taxes paid	0	0
<b>Net Cash from Operating Activities</b>	<b>Total</b>	<b>(1155961)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Net Cash from Investing activities</b>	<b>Total</b>	<b>0</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Increase/(Decrease) in short term borrowings	997001	-1658500
Deposits kept with bank encashed	0	3000000
Finance cost incurred	0	0
<b>Net Cash from Financing activities</b>	<b>Total</b>	<b>1341500</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash equivalents</b>	<b>-102485</b>	<b>185539</b>
Cash & Cash equivalents at the beginning of the year	234549	49010
Cash & Cash equivalents at the end of the year	132064	234549

**Note:-**

1. The above Cash Flow has been prepared under the indirect method set out in Accounting Standard (AS)-3 on Cash Flow Statement as notified under Section 133 of the Companies Act, 2013
2. Figures in bracket indicate Cash Outflow.
3. The cash flows from operating, investing & financing activities of the Company are segregated based on available information.
4. Previous year's figures have been regrouped /reclassified wherever necessary to make them comparable with the current year's figures.

**AS PER OUR REPORT OF EVEN DATE**

FOR M.K. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
REGISTRATION NO.: 129664W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SD/-  
(MILIND K. MEHTA)  
PROPRIETOR  
MEMBERSHIP NO. 47739

SD/-  
MAHESH GARODIA  
WHOLE-TIME DIRECTOR  
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COMPANY SECRETARY  
DIN : 38514

SD/-  
KUNAL NAIK  
DIRECTOR  
DIN : 02689478

MUMBAI.  
DATED : 5TH MAY, 2017

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

### 1) SIGNIFICANT ACCOUNTING POLICIES:

#### a) Basis of Accounting:

- i) The Company follows the accrual system of accounting except gratuity and leave encashment benefits to employees.
- ii) The financial statements are based on historical cost convention.

#### b) Fixed Assets :

- i) Fixed Assets are stated at cost less accumulated depreciation.
- ii) **Capitalisation of construction period expenses :**  
Direct expenses as well as clearly identifiable indirect expenses, incurred on project during the period of construction are capitalised proportionately to respective assets.

#### c) Depreciation

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

#### d) Inventories :

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

#### e) Investments :

Investments are stated at cost.

#### f) Revenue Recognition:

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

#### g) Provision for Taxation :

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

2	Share capital	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	<u>Authorised :</u>		
	1,00,00,000 Equity Shares of Rs.10/- each		
	(Previous year 1,00,00,000 Equity Shares		
	of Rs. 10/- each)	100000000	100000000
	<u>Issued, Subscribed and Paid up :</u>		
	7200200 Equity Shares of Rs. 10/- each		
	fully paid-up	72002000	72002000
	<b>TOTAL</b>	<b>72002000</b>	<b>72002000</b>

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

Sr. No.	Name of the shareholder	No. of shares held	
		As at 31/03/2017	As at 31/03/2016
1	Mahesh G. Garodia	1364600	1364600
2	Nishant M. Garodia	1452600	1452600
3	SICOM Ltd.	750000	750000
4	Garodia Sons Pvt. Ltd.	611100	611100

# GARODIA CHEMICALS LIMITED

3	Reserves and Surplus	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	<u>Surplus i.e. balance in the statement of profit and loss</u>		
	Balance as per last Balance Sheet	-134419549	-192560713
	Add :- Balance in statement of profit & loss	-2223980	58141164
	<b>TOTAL</b>	<b>-136643529</b>	<b>-134419549</b>

4	Short Term Borrowings	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	<b>II) Loans repayable on demand from others - Unsecured</b>		
	(Free of Interest)		
(a)	From related Parties	71463863	70466862
(b)	From others	1750000	1750000
	<b>TOTAL</b>	<b>73213863</b>	<b>72216862</b>

5	Trade Payables	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	Trade payables	870252	870252
	<b>TOTAL</b>	<b>870252</b>	<b>870252</b>

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

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

6	Other Liabilities	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	(a) Creditors for capital expenditure	1402125	1402125
	(b) Sundry Creditors for expenses	2482544	2482577
	(c) Statutory dues payable	3744	750
	<b>TOTAL</b>	<b>3888413</b>	<b>3885452</b>

#### 7 Tangible Fixed Assets

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01/04/2016	Additions during the year	Sales / Dedn. during the year	As at 31-03-2017	Upto 31-03-2016	Adjusted on w/back sale	Provided during the Year	Upto 31-03-2017	As At 31-03-2017	As At 31-03-2016
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Free Hold Land	1091831			1091831			0		1091831	1091831
2	Building	35378535			35378535	22776298		1121530	23897828	11480707	12602237
3	Plant & Machinery	75351438			75351438	75351438			75351438	0	0
4	Office Equipment	203870			203870	203870			203870	0	0
5	Furniture, Fixture	1021495			1021495	1021495			1021495	0	0
6	Vehicles	301000			301000	301000			301000	0	0
	<b>TOTAL :</b>	<b>113348169</b>	<b>0</b>	<b>0</b>	<b>113348169</b>	<b>99654101</b>	<b>0</b>	<b>1121530</b>	<b>100775631</b>	<b>12572538</b>	<b>13694068</b>
	<b>PREVIOUS YEAR :</b>	113348169			113348169	98532601		1121500	99654101	13694068	

8	Non Current Investments - At cost	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	(a) Investments in Equity Shares- fully paid up (Other than trade investment) -	155000	155000
	(b) Quoted investments : Aggregate Market Value Rs. NIL (Previous Year : Rs. NIL)		
		155000	155000
	Less : Provision for Diminution in Value of investments	155000	155000
	<b>TOTAL</b>	<b>0</b>	<b>0</b>

9	Long Term Loans and Advances:	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	<b>Unsecured, considered good unless stated otherwise</b>		
	Deposits	615000	615000
	<b>TOTAL</b>	<b>615000</b>	<b>615000</b>

10	Inventories	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	<b>(as taken, valued and certified by a director of the Company)</b>		
	(a) Raw Materials	0	365704
	(b) Works in Process	0	2067970
	(c) Finished goods	0	1499726
		0	3933400
	Less : Provision for loss in value of inventories	0	3933400
	<b>TOTAL</b>	<b>0</b>	<b>0</b>

11	Trade Receivables	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	Trade Receivables outstanding for a period exceeding six months (Unsecured & Considered Doubtful)	0	2360997
		0	2360997
	Less : Provision made	0	2360997
	<b>TOTAL</b>	<b>0</b>	<b>0</b>

12	Cash and Bank Balances :	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	<u>Cash and cash equivalents</u>		
	(a) Cash on hand	61124	27021
	(b) With Bank in Current Account	70940	207528
	<b>TOTAL</b>	<b>132064</b>	<b>234549</b>

13	Changes in Inventory of Finished goods, work in progress and stock in trade.	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	<u>(a) Manufactured goods (Chemicals):</u>		
	Opening Stock	0	1499726
	Closing Stock	0	1499726
	<b>TOTAL (a)</b>	0	0
	<u>b) Work in Process (Paper):</u>		
	Opening Stock	0	2067970
	Closing Stock	0	2067970
	<b>TOTAL (b)</b>	0	0
	<b>TOTAL (a+b)</b>	0	0
14	Employee Benefits Expenses	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	Salaries and wages	60000	60000
	<b>TOTAL</b>	60000	60000
15	Other Expenses	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	Bank charges	520	415
	Interest on late payment of TDS	0	1903
	Advertisement expenses	52892	40995
	Fees to BSE Ltd.	229000	224720
	Payments to Auditors :		
	Audit Fees	15000	15000
	Postage, Courier & Internet charges	30000	33500
	Consultancy / Professional charges	674696	731269
	Demat Charges	34571	24065
	Interest on late payment of TDS	11	0
	Printing & Stationary	960	3166
	ROC Fees	4800	6600
	<b>TOTAL</b>	1042450	1081633
16	<u>Extra Ordinary Items</u>	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
	<b>Finance Cost written back</b>		
	Loans amount writtern back	0	9800000
	Interest amount written back	0	51606114
	<b>Total</b>	0	61406114



17	Weighted Average number of shares used for calculating	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
<b>Basic and Diluted Earnings per Share.</b>			
	Net Profit after Tax ( Rs. in lakhs)	-2223980	58141164
	Weighted Average number of shares	7200200	7200200
	Basic Earning per Share (Rs.)	-0.31	8.07
	Diluted Earning per Share (Rs.)	-0.31	8.07

## 18 Related party disclosure

Name of the related party and nature of the related party relationship :

(where transaction exists)

Sr. No.	Related party	Relationship
1	Mahesh G. Garodia	Key Managerial Person
2	Nishant M Garodia	Relative of Key Managerial personnel
3	Garodia Sons Pvt. Ltd.	Associate
4	Gordhandas Garodia	Relative of Key Managerial personnel
5	P. G. Trust	Associate

Nature of transaction		Key Managerial personnel		Relative of Key Managerial personnel		Associate	
		Transaction Value	Outstanding	Transaction Value	Outstanding	Transaction Value	Outstanding
Loans taken	This year	997000	69515409	-	1819327	-	129126
	Previous year	19841500	68518409	-	1819327	-	129126

19 The manufacturing activities have been suspended by the company and the plant is closed. Further, the Plant and Machinery, Office Equipments, furniture and Fixture have been fully depreciated and written off in the books of Account.

20 The loans of Rs. 7,14,43,863 from the directors, their relatives and associates concerns as reflected in Note no. 5 are free of interest. Further, no interest is payable on loans of Rs. 17,50,000.

21 No provision has been made for Income Tax in view of brought forward losses and unabsorbed depreciation.

## 22 Segment Reporting

In view of no operating activities, segment reporting has not been made.

23 Figures of the previous year have been regrouped or rearranged wherever necessary.