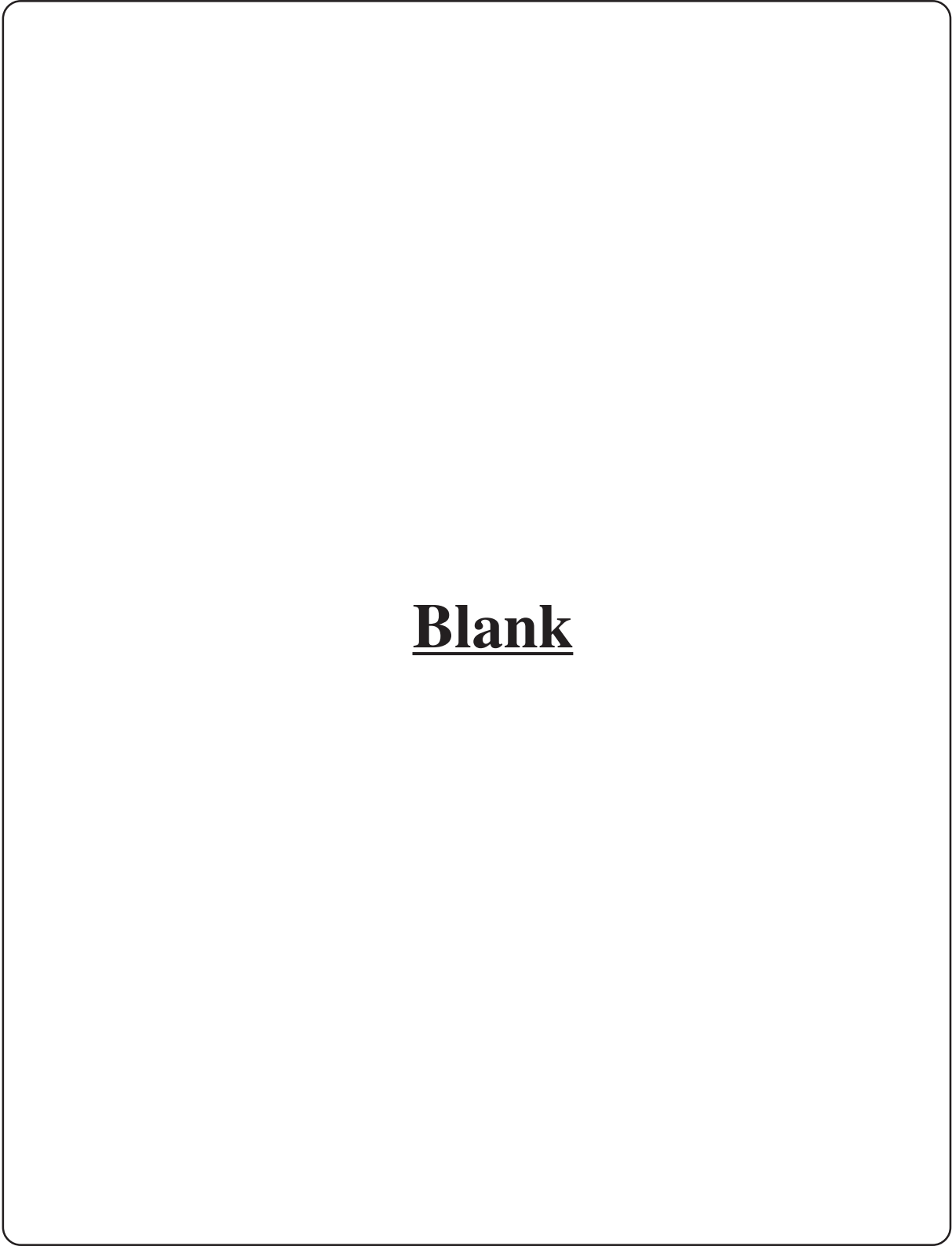


**29<sup>th</sup>**  
**Annual Report**  
**2015-2016**



**SHREE HARI CHEMICALS EXPORT LTD.**

SHREE HARI CHEMICALS EXPORT LTD.



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## 29th ANNUAL REPORT (2015-2016)

# SHREE HARI CHEMICALS EXPORT LIMITED

### BOARD OF DIRECTORS

**Shri K. L. Ramuka**  
**Shri B. C. Agrawal**  
**Shri Anup Ramuka**  
**Shri H. P. Ramuka**  
**Shri V. N. Gupta**  
**Shri A. D. Chirania**  
**Shri V. P. Kedia**  
**Smt. Ekta Sultania**

**Chairman & Executive Director (upto 30-06-2016)**  
**Chairman & Executive Director (w.e.f. 01-07-2016)**  
**Managing Director (w.e.f. 01-07-2016)**  
**Whole Time Director**  
**Director**  
**Director**  
**Director**  
**Director**

### BANKERS

#### STATE BANK OF INDIA

Industrial Finance Branch  
S. V. Road, Malad (West), Mumbai - 400064.

### AUDITORS

#### KAILASH CHAND JAIN & CO.

Chartered Accountants  
MUMBAI - 400020.

### REGD. OFFICE & WORKS

CIN - L99999MH1987PLC044942  
A/8, M.I.D.C. Indl. Area,  
MAHAD, Dist. Raigad  
(Maharashtra) 402309.  
Tel.: 02145-232177  
E-mail: shreeharichem@gmail.com

### ADMINISTRATIVE OFFICE

103/104, Unique Tower,  
Near Kamat Club,  
S. V. Road, Goregaon (W),  
MUMBAI - 400062.  
Tel.: 022-28787081 Fax: 022-28785033  
E-mail: shreeharichem@gmail.com

### REGISTRAR & SHARE TRANSFER AGENTS

**UNIVERSAL CAPITAL SECURITIES PVT. LTD.**  
21, Shakil Niwas, Mahakali Caves Road,  
Andheri (E), MUMBAI - 400093.  
Tel.: 022-28207203  
E-mail: info@unisec.in

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**SHREE HARI CHEMICALS EXPORT LTD.**

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Route Map to the Venue of the AGM

**SHREE HARI CHEMICALS EXPORT LTD.**

A/8, M.I.D.C. INDUSTRIAL AREA,  
MAHAD, DIST. - RAIGAD. PIN - 402309.



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## 29th ANNUAL REPORT (2015-2016)

**SHREE HARI CHEMICALS EXPORT LIMITED**  
**Corporate Identification No. (CIN) - L99999MH1987PLC044942**  
**Registered Office:** A/8, MIDC, Mahad, Dist. Raigad-- 402309, Maharashtra  
**Tel:** 02145-232177/233492 **E-mail :** shreeharichem@gmail.com  
**Website:** www.shreeharichemicals.in

### NOTICE

Notice is hereby given that the **TWENTY- NINTH** Annual General Meeting of the members of **SHREE HARI CHEMICALS EXPORT LIMITED** will be held at A/8, M.I.D.C., Mahad, Dist. Raigad (Maharashtra) on Wednesday, September 14, 2016 at 11.30 a.m. to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on equity shares for the financial year 2015-2016.
3. To appoint a Director in place of Shri Hanuman Prasad Ramuka (DIN : 02440114) who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Kailash Chand Jain & Co., Chartered Accountants, Mumbai, (ICAI Registration No. 112318W), be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

#### SPECIAL BUSINESS:

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

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Anup Ramuka (DIN: 00755748), appointed as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company with effect from July 1, 2016 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from him, pursuant to the provisions of Section 160 of the Companies Act, 2013 proposing the candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

6. To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as approved by the Nomination and Remuneration Committee, the consent and approval of the Company in general meeting be and is hereby accorded to the appointment of Shri Anup Ramuka (DIN : 00755748) as Managing Director of the Company for a period of three years with effect from July 1, 2016 upon the terms and conditions as set out in the explanatory statement be and is hereby specifically sanctioned with liberty to the Board of Directors of the Company (the “Board”) to alter, vary and modify the terms and conditions of the said appointment in such manner as may be agreed to between the Board and Shri Anup Ramuka.

**RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profits in any financial year of the Company during Shri Anup Ramuka’s term of office as Managing Director, the remuneration payable to him shall be as per the minimum remuneration, subject to the provisions of Schedule V of the Companies Act, 2013.

## SHREE HARI CHEMICALS EXPORT LTD.

**RESOLVED FURTHER THAT** in the event of any statutory amendment or relaxation by the Central Government to Schedule V of the Companies Act, 2013 the Board be and is hereby authorised to vary or increase the remuneration including the perquisites within such prescribed limits or ceiling to give effect to such modification, relaxation or variation without any further reference to the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this Resolution.”

7. To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as approved by the Nomination and Remuneration Committee, the consent and approval of the Company be and is hereby accorded to the appointment of Shri Bankesh Chandra Agrawal ( DIN 00121080) as Chairman and Whole time Director of the Company designated as Chairman and Executive Director for a period of three years with effect from 1st July, 2016 upon the terms and conditions as set out in the explanatory statement be and is hereby specifically sanctioned with liberty to the Board of Directors of the Company (the “Board”) to alter, vary and modify the terms and conditions of the said appointment in such manner as may be agreed to between the Board and Shri Bankesh Chandra Agrawal.

**RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profits in any financial year of the Company during Shri Bankesh Chandra Agrawal’s term of office as Chairman and Executive Director, the remuneration payable to him shall be as per the minimum remuneration, subject to the provisions of Schedule V of the Companies Act. 2013.

**RESOLVED FURTHER THAT** in the event of any statutory amendment or relaxation by the Central Government to Schedule V of the Companies Act, 2013 the Board be and is hereby authorised to vary or increase the remuneration including the perquisites within such prescribed limits or ceiling to give effect to such modification, relaxation or variation without any further reference to the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this Resolution”.

8. To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as approved by the Nomination and Remuneration Committee, the approval of the Company in general meeting be and is hereby accorded to the payment of remuneration to Shri Hanuman Prasad Ramuka (DIN02440114), Whole time Director, of the company for the residual period of his tenure from 1st October, 2016 to 29th April, 2018 as set out in the explanatory statement with liberty to the Board of Directors of the Company to alter or vary and modify the terms and conditions of the said remuneration as may be agreed between the Board and Shri Hanuman Prasad Ramuka.

**RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profits in any financial year of the Company during Shri Hanuman Prasad Ramuka’s term of office as Whole time Director, the remuneration payable to him shall be as per the minimum remuneration, subject to the provisions of Schedule V of the Companies Act. 2013.

**RESOLVED FURTHER THAT** in the event of any statutory amendment or relaxation by the Central Government to Schedule V of the Companies Act, 2013 the Board be and is hereby authorised to vary or increase the remuneration including the perquisites within such prescribed limits or ceiling to give effect to such modification, relaxation or variation without any further reference to the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this Resolution”.

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



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**“RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the payment of remuneration of Rs. 25,000/- plus applicable service tax and reimbursement of travelling and out of pocket expenses to M/s. B.F. Modi & Associates, Cost Accountants, Vapi, (ICWA Registration No. 6955) who have been appointed as Cost Auditors to conduct the audit of the cost records for the financial year 2016-17.”

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.**
2. The Statement setting out material facts pursuant to section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, and the information required in respect of appointment/re-appointment of directors as per Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Secretarial Standards on General Meetings under item Nos. 3, 5 to 9 are annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will be closed from Wednesday, September 07, 2016 to Wednesday, September 14, 2016 both days inclusive.
4. Payment of dividend, as recommended by the Board, if approved, will be made to those members whose names are on the Company's Register of members on 14th September, 2016 and those whose names appear as Beneficial Owners as at the close of the business hours on September 7, 2016 as per details to be furnished by Depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited for this purpose
5. Members are requested to notify immediately any change of address:
  - (i) to their Depository Participants (DPs) in respect of their electronic share accounts, and
  - (ii) to the Company's Registrar & Share Transfer Agents, **Universal Capital Securities Pvt. Ltd. (“UCSPL”)** 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai – 400093, in respect of their physical share folios, if any, quoting their folio numbers.
6. In view of the circular issued by SEBI, the Electronic Clearing Services (ECS/NECS) facility should mandatorily be used by the companies for the distribution of dividend to its members. In order to avail the facility of ECS/NECS, members holding shares in physical form are requested to provide bank account details to the Company or its Registrar and Share Transfer Agents.
7. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956 the dividend remaining unclaimed/unpaid for a period of seven years from the date they became due for payment shall be credited to the Investor's Education and Protection Fund setup by the Central Government. Members who have so far not claimed the dividend are requested to make claim with the Company as no claim shall lie against the fund or the Company in respect of individual amounts once credited to the said fund.
8. Members are requested to bring their copy of the Annual Report to the meeting.
9. The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
10. To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register the same with Registrar and Share Transfer Agents/Depositories.

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### 11 VOTING THROUGH ELECTRONIC MEANS:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, and Regulation 44 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the company is pleased to provide members facility to exercise right to vote at 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting services provided by Central Depositories Services Limited (CDSL)

#### A. The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Sunday, September 11, 2016 (10.00 a.m.) and ends on Tuesday, September 13, 2016. (5.00 p.m. IST) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, September 7, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other

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company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the 'Shree Hari Chemicals Export Limited' on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

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

Please follow all steps from Sl. No. (i) to Sl. No. (xiv) above, to cast vote.

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

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- II. If you are already registered with CDSL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IV. The remote e-voting period commences on Sunday, September 11, 2016 (10.00 a.m) and ends on Tuesday, September 13, 2016 (5:00 p.m). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, 7th September, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date Wednesday, 7th September, 2016. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting. The members who have not cast vote through remote e-voting shall be entitled to vote at the meeting.
- VI. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date, (may obtain the login ID and password by sending a request at [evoting@cdslindia.com](mailto:evoting@cdslindia.com)) shall follow the procedure laid down above. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evotingindia.com](http://www.evotingindia.com).
- VII. The facility for voting, either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
- VIII. Smt. Shalini Bhat (FCS No.: 6484) or failing her Shri Mohmmad P. (ACS No. 39232) of M/s. Parikh Parekh & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- IX. Shareholders who have already voted prior to the meeting date would be entitled to attend the Annual General Meeting but shall not be entitled to vote at the meeting.
- X. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- XI. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website ([www.shreeharichemicals.in](http://www.shreeharichemicals.in)) and on the website of CDSL and communicated to the BSE Limited where the shares of the Company are listed.
- XII. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 a.m. to 6.00 p.m.) on all working days except Saturdays and Sundays (including Public Holidays) up to the date of the Annual General Meeting.

**Registered Office:**

A/8, M.I.D.C. Industrial Area,  
Mahad, Dist. Raigad (Maharashtra)

Date: 1st August, 2016

**By the Order of the Board**

**Anup Ramuka**  
**Managing Director**  
**DIN: 00755748**

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### ANNEXURE TO NOTICE

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

##### Item No. 3

Shri Hanuman Prasad Ramuka, Whole Time Director of the Company in terms of Section 152(6) of the Act, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Shri Hanuman Prasad Ramuka, aged 45 years, is a member of the Institute of Chartered Accountants of India and has experience of over 21 years in the field of Financial Management.

He was appointed on the Board of the Company on April 30, 2008.

During the year Shri Hanuman Prasad Ramuka attended four meetings of the Board of Directors of the Company.

Shri Hanuman Prasad Ramuka is not holding any directorship/ committee positions in other Companies.

As on date of this Notice, he does not hold by himself or for any other person on a beneficial basis, any equity share in the Company. He is not related to any other Director of the Company.

The Board commends the approval by the members of the appointment of Director.

Except Shri Hanuman Prasad Ramuka, none of the other Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the resolution.

##### ITEM NOS. 5 & 6

The Board of Directors of the Company (the "Board") at its Meeting held on 30th June, 2016, on the recommendations of the Nomination and Remuneration Committee, has appointed Shri Anup Ramuka as an Additional Director with effect from July 1, 2016. By virtue of Section 161 of the Companies Act, 2013, Shri Anup Ramuka shall hold office upto the date of this Annual General Meeting. The Company has received a notice under Section 160 of the Companies Act, 2013, alongwith requisite deposit from him, proposing his candidature for the office of Director.

The Board at its Meeting held on 30th June, 2016 also approved the appointment of Shri Anup Ramuka as Managing Director of the Company as approved by the Nomination and Remuneration Committee for a period of three years with effect from July 1, 2016. The terms of his appointment and the payment of remuneration are as follows:

- a) Consolidated remuneration of Rs. 7,00,000/- per month including other perquisites.
- b) Commission: Commission on net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013 as may be fixed by the Board subject to the ceiling limits laid down in Section 197 and read with Schedule V of the Companies Act, 2013.
- c) The Managing Director shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified herein above :

## SHREE HARI CHEMICALS EXPORT LTD.

- (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
- (ii) Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
- (iii) Earned privilege leave at the rate of one month's leave for every eleven months of service. The Managing Director shall be entitled to encash leave at the end of his tenure as Managing Director.
- (iv) Provision for Car and Telephone at the residence of the Managing Director and Mobile Phones for the purpose of business of the Company shall not be treated as perquisites.

Shri Anup Ramuka, aged 40 years, he is a Master of Business Management (MBA) from Chetna Institute of Management, Mumbai and has a vast experience of over 17 years in the varied field of banking, trading and chemical industry.

He holds 231345 equity shares in the Company.

Shri Anup Ramuka is a Director of Shree Kuber Ventures Private Limited and does not hold any Committee position in any other Company.

Shri Anup Ramuka is concerned or interested in the said resolution at item nos. 5 & 6 of the accompanying notice as it relates to him.

The Board commends the approval by the members of the appointment of Director and Managing Director and payment of remuneration to him.

None of the other Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP are concerned or interested in the above Resolutions

A Statement showing the additional information required to be given alongwith a Notice calling General Meeting as required under section II, Part II of the Schedule V to the Companies Act, 2013 is annexed.

### **Item No.7**

The Board of Directors of the Company (the "Board") at its Meeting held on 30th June, 2016 approved the appointment of Shri Bankesh Chandra Agrawal as Chairman and Executive Director of the Company for a period of three years with effect from July 1, 2016, on the recommendations of the Nomination and Remuneration Committee. The appointment of Shri Bankesh Chandra Agrawal and the remuneration payable to him on his appointment is subject to the approval of the Members of the Company. The terms of the remuneration are as follows:

- a) Consolidated remuneration of Rs. 7,00,000/- per month including other perquisites
- b) Commission: Commission on net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013 as may be fixed by the Board subject to the ceiling limits laid down in Section 197 and read with Schedule V of the Companies Act, 2013.
- c) The Chairman and Executive Director shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified herein above :

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- (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
- (ii) Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
- (iii) Earned privilege leave at the rate of one month's leave for every eleven months of service. The Chairman and Executive Director shall be entitled to encash leave at the end of his tenure as Chairman and Executive Director.
- (iv) Provision for Car and Telephone at the residence of the Chairman and Executive Director and Mobile Phones for the purpose of business of the Company shall not be treated as perquisites.

He is a Promoter Director of the Company since 09.10.1987.

During the year Shri Bankesh Chandra Agrawal attended four meetings of the Board of Directors of the Company. He holds 61,200 equity shares in the Company.

Other directorship/ committee positions held by Shri Bankesh Chandra Agrawal:

- Shree Hari Finvest Ltd. (Director)
- Shubhlaxmi Dyetex Pvt. Ltd. (Director)

Shri Bankesh Chandra Agrawal is concerned or interested in the said resolution as it relates to his own appointment.

The Board commends the approval by the members of the appointment of Shri Bankesh Chandra Agrawal, Chairman and Executive Director and payment of remuneration to him.

None of the other Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP are concerned or interested in the Resolution at Item No. 7 of the Notice.

A Statement showing the additional information required to be given alongwith a Notice calling General Meeting as required under section II, Part II of the Schedule V to the Companies Act, 2013 is annexed.

### **Item No. 8**

The Board, on the recommendations of the Nomination and Remuneration Committee, at its meeting held on May 30, 2016 had subject to the approval of the members in general meeting approved a payment of remuneration to Shri Hanuman Prasad Ramuka, Whole Time Director of the Company for a residual period of his tenure with effect from 1st October, 2016 to 29h April, 2018.:

- a) Salary: Rs. 7,00,000/-per month including other perquisites
- b) Commission: Commission on net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013 as may be fixed by the Board subject to the ceiling limits laid down in Section 197 and read with Schedule V of the Companies Act, 2013.
- c) The Whole time Director shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified herein above :
  - (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.

## SHREE HARI CHEMICALS EXPORT LTD.

- (ii) Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
- (iii) Earned privilege leave at the rate of one month's leave for every eleven months of service. The Whole time Director shall be entitled to encash leave at the end of his tenure as Whole time Director.
- (iv) Provision for Car and Telephone at the residence of the Whole time Director and Mobile Phones for the purpose of business of the Company shall not be treated as perquisites.

He was appointed on the Board of the Company with effect from 30.04.2008.

During the year Shri Hanuman Prasad Ramuka attended Four meetings of the Board of Directors of the Company. He is not holding any shares in the Company.

He does not hold any directorship/ committee positions in any other Company.

Shri Hanuman Prasad Ramuka, Whole Time Director is concerned or interested in the said resolution at item no. 8 of the accompanying notice as it relates to him.

The Board commends the approval by the members for payment of remuneration to him.

None of the other Directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution at Item No. 8 of the Notice.

A Statement showing the additional information required to be given alongwith a Notice calling General Meeting as required under section II, Part II of the Schedule V to the Companies Act, 2013 is annexed.

### **Item No. 9**

The Company is directed under section 148 of the Act, to have the audit of its cost records conducted by a cost accountant in practice. The Board of your Company has, appointed, M/s. B.F. Modi & Associates, Cost Accountants, Vapi, (ICWA Registration No. 6955), as Cost Auditors of the Company to audit the cost accounting records of the Company for the financial year 2016-17 at a remuneration of Rs. 25,000/- plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the registered office of the Company during 11.00 a.m. to 1.00 p.m.

The Board commends the Ordinary Resolution set out at item No. 9 for approval by the Members.

None of the Directors and Key Managerial personnel or their relatives are interested in the above resolution.

### **Registered Office:**

A/8, M.I.D.C. Industrial Area,  
Mahad, Dist. Raigad (Maharashtra)

Date: 1st August, 2016

**By the Order of the Board**

**Anup Ramuka**  
**Managing Director**  
**DIN: 00755748**



## 29th ANNUAL REPORT (2015-2016)

### ANNEXURE TO ITEM NOS. 6 TO 8 OF THE NOTICE OF THE MEETING

A Statement showing the additional information required to be given alongwith a Notice calling General Meeting as required under section II, Part II of the Schedule V to the Companies Act, 2013 with reference to item nos. 6 to 8 is given hereunder :

#### I. General Information :

(1)	Nature of industry	Chemicals Industry		
(2)	Date or expected date of commencement of commercial production	The Company has been in the business since 1987		
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable		
(4)	Financial performance based on given indicators	<b>2013-2014</b>	<b>2014-2015</b>	<b>2015-16</b>
	Turnover	6183.42	13099.68	10096.42
	Net profit (as computed under section 198)	1628.90	4875.02	94.12
	Net profit/ (Loss) as per profit and loss account	1349.89	3206.84	112.47
	Amount of Dividend paid	44.46	111.15	44.46
	Rate of Dividend declared	10%	25%	10%
	Earning before interest, depreciation & taxes	1827.09	5203.74	412.52
	% of EBIDT to turnover	29.54%	39.72%	4.09
(5)	Foreign investments or collaborators, if any.	NIL		

#### II. Information about the appointees:

(1) Background details	<p><b>Name:</b> Shri Bankesh Chandra Agrawal  <b>Designation:</b> Chairman and Executive Director  <b>Father's name:</b> Shri Babulal Agrawal  <b>Nationality:</b> Indian  <b>Date of Birth:</b> 29.10.1951  <b>Qualifications:</b> B.Com, AICWA  <b>Experience:</b> Over 40 years in Yarn and chemical industry</p>	<p><b>Name:</b> Shri Anup Ramuka  <b>Designation:</b> Managing Director  <b>Father's name:</b> Shri Kishori Lal Ramuka  <b>Nationality:</b> Indian  <b>Date of Birth:</b> 22.11.1976  <b>Qualifications:</b> B. Com, M.B.A.  <b>Experience:</b> Over 17 years in banking, trading and chemical industry</p>	<p><b>Name:</b> Shri Hanuman Prasad Ramuka  <b>Designation:</b> Whole time Director  <b>Father's name:</b> Shri Ram Swaroop Ramuka  <b>Nationality:</b> Indian  <b>Date of Birth:</b> 01.02.1971  <b>Qualifications:</b> B.com, ACA  <b>Experience:</b> over 21 years experience in chemical industry</p>
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## SHREE HARI CHEMICALS EXPORT LTD.

(2) Past remuneration	Rs. 82.80 lakhs for the financial year 2015-16	Rs. 24.00 lakhs for the financial year 2015-16	Rs. 35.78 lakhs for the financial year 2015-16
(3) Recognition or awards	N.A.	N.A.	N.A.
(4) Job profile and his suitability	<p>The Chairman and Executive Director shall be responsible for the management of the whole of the affairs of the Company and to do all acts and things, which, in the ordinary course of business, he considers necessary or proper or in the interest of the Company.</p> <p>Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.</p>	<p>The Managing Director shall be responsible for the management of the whole of the affairs of the Company and to do all acts and things, which, in the ordinary course of business, he considers necessary or proper or in the interest of the Company.</p> <p>Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.</p>	<p>The Whole-Time Director shall be responsible for Management of Plants activities.</p> <p>Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.</p>
(5) Remuneration proposed	Rs. 7,00,000/- per month including all other perquisites.	Rs. 7,00,000/- per month including all other perquisites.	Rs. 7,00,000/- per month including all other perquisites.
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w. r. t. the country of his origin)	Compared to the remuneration with respect to the industry, size of the Company etc. the remuneration proposed to be paid to is very low.	Compared to the remuneration with respect to the industry, size of the Company etc. the remuneration proposed to be paid to is very low.	Compared to the remuneration with respect to the industry, size of the Company etc. the remuneration proposed to be paid to is very low.

## 29th ANNUAL REPORT (2015-2016)

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	The Chairman & Executive Director is a promoter director of the Company. He is concerned or interested as it relates to him. None of the other managerial personnel are interested.	The Managing Director is a promoter director of the Company. He is concerned or interested as it relates to him. None of the other managerial personnel are interested.	The Whole time Director has no other pecuniary relationship with the Company or with the managerial personnel except the remuneration being paid to him as Whole time Director of the Company.
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### III. Other information:

(1) Reasons of loss or inadequate profits	Market Conditions
(2) Steps taken or proposed to be taken for improvement	Substantial marketing efforts and upgradation in technology is likely to increase the profitability of the Company.
(3) Expected increase in productivity and profits in measurable terms.	With the curtailment in expenses and increase in the turnover the Company expects to make profit to the tune of approximately Rs. 10 crores.

Services of the Chairman and Executive Director, Managing Director and Whole time Director may be terminated by either party, giving the other party three months' notice or the Company paying three months' salary in lieu thereof. There is no separate provision for payment of severance fees.

### IV. Disclosures:

The remuneration of Shri Bankesh Chandra Agrawal, Shri Anup Ramuka and Shri Hanuman Prasad Ramuka have been disclosed above. Other details such as service contracts, notice period, severance fees etc. mentioned in the Corporate Governance Report.

The Company does not have any scheme for grant of stock options.

#### Registered Office:

A/8, M.I.D.C. Industrial Area,  
Mahad, Dist. Raigad (Maharashtra)

Date: 1st August, 2016

**By the Order of the Board**

**Anup Ramuka**  
**Managing Director**  
**DIN: 00755748**

## SHREE HARI CHEMICALS EXPORT LTD.

### BOARDS' REPORT

[Pursuant to Section 134(3) of the Companies Act, 2013]

To  
The Members,  
SHREE HARI CHEMICALS EXPORT LIMITED

The Directors have pleasure in presenting the Twenty Ninth Annual Report together with the Statement of Accounts for the year ended on March 31, 2016:

#### FINANCIAL RESULTS:

(Rs. in Lakhs)

Particulars	2015-2016	2014-2015
Sales	10096.43	13099.69
PROFIT BEFORE DEPRECIATION & TAX	402.06	5188.17
Less:		
Depreciation	307.93	332.43
PROFIT BEFORE TAX	94.13	4855.74
Less: Provision for Taxation		
Current Tax	32.00	1575.00
Deferred Tax	(50.35)	73.34
Short/excess provision of Income Tax	-	0.57
PROFIT AFTER TAX	112.48	3206.83
Surplus brought forward from Previous Year	4429.96	1516.52
PROFIT AVAILABLE FOR APPROPRIATION		
Transfer to General Reserve	-	160.00
Proposed Dividend	44.46	111.16
Tax on Proposed Dividend	9.05	22.23
Surplus Carried Forward	4488.93	4429.96

#### OPERATIONS:

During the year under review, sales for the year was Rs. 10096.43 Lakhs as against Rs. 13099.69 Lakhs for the previous year. Profit after tax was Rs.112.48 Lakhs as against Profit of Rs. 3206.83 Lakhs for the previous year. Export earnings were Rs. 689.37 Lakhs as against Rs. 707.59 Lakhs for the previous year.

Profit of the Company declined due to sharp fall in the international price of the products.

#### TRANSFER TO GENERAL RESERVES

There was no transfer of profits to General Reserve during the year

#### DIVIDEND

The Board of Directors are pleased to recommend a dividend of Re. 1/- (Rupee one per share i. e. 10 % on 4446300 Equity Shares of Rs. 10/- each for the year 2015-2016.

#### MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR

There have been no material changes and commitments, if any, affecting the financial position of the Company, which have occurred between the end of the financial year dated 31st March 2016 and the date of the report.

## 29th ANNUAL REPORT (2015-2016)

### **NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

4 (Four) meetings of the Board of Directors were held during the year. Details of the Meetings of the board, please refer to the corporate governance report, which forms part of this report.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Shri Hanuman Prasad Ramuka (DIN 02440114), Director of the Company, retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Shri Kishori Lal Ramuka resigned as Chairman & Executive Director and Director of the Company with effect from July 1, 2016. The Board expresses its appreciation to Shri Kishori Lal Ramuka for the services rendered by him during his tenure with the Company.

Shri Bankesh Chandra Agrawal resigned as Managing Director and appointed as Chairman and Executive Director with effect from July 1, 2016.

Shri Anup Ramuka appointed as an Additional Director of the Company with effect from July 1, 2016. He holds office upto the date of ensuing Annual General Meeting. The Company has received notice alongwith requisite deposit proposing his candidature for the office of Directorship.

Shri Anup Ramuka also appointed as the Managing Director of the Company for a period of three years with effect from July 1, 2016. The resolution seeking approval of the members for appointment and remuneration of Shri Anup Ramuka has been incorporated in the notice of the ensuing Annual General Meeting of the Company.

Smt. Priyanka Ajmera Company Secretary of the Company, resigned with effect from April 11, 2016.

### **DECLARATION FROM INDEPENDENT DIRECTORS**

Shri Virjanand Gupta, Shri Arvind Chirania, Shri Vinit Kedia and Smt. Ekta Sultania, who are independent directors, have submitted declarations that each of them meets the criteria of independence as provided in sub Section (6) of Section 149 of the Act and there has been no change in the circumstances which may affect their status as independent director during the year. In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required.

### **AUDIT COMMITTEE**

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

### **VIGIL MECHANISM**

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism formulated by the Company provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Managing Director/ Chairman of the Audit Committee in exceptional cases.

### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND CRITERIA FOR INDEPENDENT DIRECTORS**

The Remuneration Policy for directors and senior management and the Criteria for selection of candidates for appointment as directors, independent directors, senior management are placed on the website of the

## **SHREE HARI CHEMICALS EXPORT LTD.**

Company weblink <http://www.shreeharichemicals.in/policies.aspx> There has been no change in the policies since the last fiscal year. We affirm that the remuneration paid to the directors is as per the terms laid out in the remuneration policy of the Company.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

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

### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal and statutory auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2015-16.

The internal auditor also regularly reviews the adequacy of internal financial control system.

### **DETAILS OF SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES**

The Company does not have any subsidiary/ joint ventures/ associates.

### **EXTRACT OF ANNUAL RETURN**

As provided under sub Section (3) of Section 92 of the Act, the extract of annual return is enclosed, which forms part of the directors' report as Annexure I.

### **AUDITORS**

M/s. Kailash Chand Jain & Co, Chartered Accountants (ICAI Registration No. 112318W), the Auditors of the Company who would retire at the ensuing Annual General Meeting offer themselves for re-appointment. M/s. Kailash Chand Jain & Co, Chartered Accountants, the existing auditors have furnished a certificate, confirming that if re-appointed for the financial year 2016-2017 their re-appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013.

You are requested to appoint Auditors and to fix their remuneration.

### **COST AUDIT**

As per Section 148 and other applicable provisions of the Companies Act, 2013, the Board of Directors based on the recommendation of the Audit Committee had appointed M/s. B. F. Modi & Associates, Cost Accountants, as Cost Auditors to carry out the audit of the Cost Records of the Company for the Financial

## 29th ANNUAL REPORT (2015-2016)

Years 2015-16. M/s. B. F. Modi & Associates, Cost Accountants, have also been appointed as Cost Auditors to carry out the audit of the Cost Records of the Company for the Financial Year 2016-17. The necessary resolution for seeking ratification of payment of remuneration to them is included in the notice of the ensuing annual general meeting.

### SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Parikh Parekh & Associates, Practicing Company Secretaries were appointed as the Secretarial Auditors for auditing the secretarial records of the Company for the financial year 2015-2016.

The Secretarial Auditors' Report is annexed as Annexure II.

### AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The auditor's report does not contain any qualifications, reservations or adverse remarks.

The Secretarial Audit Report for the financial year ended March 31, 2016 do not contain any qualification, reservation, adverse remark. The reasons for unspent amount of CSR expenditure is explained in the Annual Report on Corporate Social Responsibilities Activities annexed to this report.

### CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION FOREIGN EXCHANGE EARNINGS AND OUTGO

[Pursuant to Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014]

#### 1. Conservation of energy:

##### a. Steps taken / impact on conservation of energy:

During the year, the Company continued to make efforts to prevent wasteful electrical consumption.

##### b. Steps taken by the company for utilising alternate sources of energy including waste generated:

The Company is planning to set a Solar Power Plant in order to minimize the cost of electrical consumption.

##### c. The Capital invested on energy conservation equipment : - NIL -

#### 2. Technology absorption :

a. Efforts, in brief, made towards technology absorption during the year under review are: Not Applicable

b. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.: Not Applicable

c. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished : Not Applicable

d. Expenditure incurred on Research and Development: NIL

#### 3. Foreign exchange earnings and Outgo :

(Rs. in Lakhs)

	Foreign exchange earnings and outgo	2015-16
a.	Foreign exchange earnings	689.37
b.	Foreign exchange outgo	1015.95

## **SHREE HARI CHEMICALS EXPORT LTD.**

### **PARTICULARS OF EMPLOYEES**

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure III.

### **DEPOSITS FROM PUBLIC**

The Company has not accepted any deposits from public during the year.

### **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORY/ JUDICIAL AUTHORITY**

The Company had received a notice vide letter dated 17th June, 2015, from the Regional Officer, Mahad, Maharashtra Pollution Control Board ("Board") directing to close the manufacturing activities of the company's factory and hence manufacturing activities were closed. However, the same was restarted vide order dated 10th July, 2015 received from the said Board.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The Company has not given any loans or guarantees or made investments during the year ended March 31, 2016.

### **RISK MANAGEMENT POLICY**

The Board of Directors of the Company has framed a risk management policy and is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which is approved by the Board. The CSR policy of the Company is placed on the website of the Company weblink <http://www.shreeharichemicals.in/policies.aspx>.

In accordance with the provisions of Section 135 of the Companies Act, 2013, an abstract on Company's CSR activities is furnished as Annexure IV.

### **RELATED PARTY TRANSACTIONS**

Particulars of transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 and the same forms part of this report as Annexure V.

### **EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

An annual evaluation of the Board own performance, Board committees and individual directors was carried out pursuant to the provisions of the Act in the following manner:



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Sr. No.	Performance evaluation of	Performance evaluation performed by	Criteria
1.	Each Individual directors	Nomination and Remuneration Committee	Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and guidance provided, key performance aspects in case of executive directors etc.
2.	Independent directors;	Entire Board of Directors excluding the director who is being evaluated	Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution, and guidance provided etc.
3.	Board, its committees and individual directors	All directors	Board composition and structure; effectiveness of Board processes, information and functioning, performance of specific duties and obligations, timely flow of information etc. The assessment of committees based on the terms of reference of the committees

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

### **LISTING AGREEMENT AND LISTING FEES**

The Company has entered into Listing Agreement with BSE Limited in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has paid the listing fees to BSE Limited for the year 2016-2017.

### **INSIDER TRADING REGULATIONS AND CODE OF DISCLOSURE**

The Board of Directors has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and is available on our website [www.shreeharichemicals.in/policies.aspx](http://www.shreeharichemicals.in/policies.aspx).

### **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS**

As per the Listing Regulations, the Corporate Governance Report, Management Discussion and Analysis Report, and the Auditor's Certificate regarding compliance with conditions of Corporate Governance, forms part of the Annual Report

### **ACKNOWLEDGEMENT**

Your Directors convey their gratitude to the State Bank of India and every official, customers, suppliers, other associates of the company for their continued assistance and support. The Directors also wish to place on record their appreciation of the hard work put in by the staff of the Company. The Directors are also grateful to you, the Shareholders, for the confidence you continue to repose in the Company.

**For and on behalf of the Board**

**Place: Mumbai**  
**Date: 1st August, 2016**

**Bankesh Chandra Agrawal**  
**Chairman & Executive Director**

## SHREE HARI CHEMICALS EXPORT LTD.

### ANNEXURE I

- A. Extract of Annual Return as on Financial year ended 31.03.2016 [Form MGT-9 pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies(Management and Administration) Rules, 2014

#### I. Registration and other details:

i. CIN Number of the Company :	L99999MH1987PLC044942
ii. Registration Date :	09.10.1987
iii. Name of the Company :	SHREE HARI CHEMICALS EXPORT LIMITED
iv. Category/Sub-category of the Company :	Public Company limited by shares Indian Non-Government Company
v. Address of Registered office and contact details :	A/8, MIDC, Mahad, Dist. Raigad-- 402309, Maharashtra Email : shreeharichem@gmail.com Website : www.shreeharichemicals.in Tel : +91 (2145) 232177/233492
vi. Whether listed company :	Yes
vii. Name, Address and contact details of Registrar and Transfer Agent :	Universal Capital Securities Pvt. Ltd., 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai – 400093 Email: gamare@unisec.in Website : www.unisec.in Tel : +91( 22) 2820 7203-05/28257641

#### II. Principal Business Activity of the Company :

All the business activities contributing to 10% or more of the total turnover of the Company shall be stated :-

Sr. No.	Name and Description of main products/ services	NIC Code of the product/ service	Percentage to total turnover of the company
1	H-ACID	2922	98.91

#### III. Particulars of Holding, Subsidiary and Associate Companies : - NIL -

## 29th ANNUAL REPORT (2015-2016)

### IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category wise shareholding:

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total number of shares	% of total number of shares	Demat	Physical	Total number of shares	% of total number of shares	
<b>A. Shareholding of Promoters Indian</b>									
Individuals/ Hindu Undivided Family	1506634	-	1506634	33.89	1506634	-	1506634	33.89	-
Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
Bodies Corporate	635700	-	635700	14.30	635700	-	635700	14.30	-
Financial Institutions/Banks	-	-	-	-	-	-	-	-	-
<b>Sub Total(A)(1)</b>	<b>2142334</b>	<b>-</b>	<b>2142334</b>	<b>48.18</b>	<b>2142334</b>	<b>-</b>	<b>2142334</b>	<b>48.18</b>	<b>-</b>
<b>Foreign</b>									
Individuals (Non-Residents Individuals / Other Individuals)	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks/FI	-	-	-	-	-	-	-	-	-
Any others	-	-	-	-	-	-	-	-	-
<b>Sub Total(A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoters (A)= (A)(1)+(A)(2)</b>	<b>2142334</b>	<b>-</b>	<b>2142334</b>	<b>48.18</b>	<b>2142334</b>	<b>-</b>	<b>2142334</b>	<b>48.18</b>	<b>-</b>
<b>B. Public shareholding</b>									
<b>Institutions</b>									
Mutual Funds	-	-	-	-	-	-	-	-	-
Financial Institutions/Banks	-	-	-	-	-	-	-	-	-
Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total number of shares	% of total number of shares	Demat	Physical	Total number of shares	% of total number of shares	
Non-institutions									
Bodies Corporate (Indian)	150558	6600	157158	3.53	131645	6600	138245	3.11	0.42
Individuals									
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	995833	661015	1656848	37.26	1102457	630415	1732872	38.98	1.1.72
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	351553	-	351553	7.91	296748	-	296748	6.67	(1.24)
Directors & Relatives	-	-	10	0.00	-	-	-	-	0.00
Non Resident Indians	35279	53700	88979	2.00	50299	52700	102999	2.32	0.32
Clearing Members	49428	-	49428	1.11	33102	-	33102	0.74	(0.37)
Trust	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(2)</b>	<b>1582651</b>	<b>721315</b>	<b>2303966</b>	<b>51.82</b>	<b>1614251</b>	<b>689715</b>	<b>2303966</b>	<b>51.82</b>	<b>-</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>1582651</b>	<b>721315</b>	<b>2303966</b>	<b>51.82</b>	<b>1614251</b>	<b>689715</b>	<b>2303966</b>	<b>51.82</b>	<b>-</b>
<b>TOTAL (A)+(B)</b>	<b>3724985</b>	<b>721315</b>	<b>4446300</b>	<b>100</b>	<b>3756585</b>	<b>689715</b>	<b>4446300</b>	<b>100</b>	<b>0</b>
<b>C. Shares held by Custodians for GDRs and 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)+(C)</b>	<b>3724985</b>	<b>721315</b>	<b>4446300</b>	<b>100</b>	<b>37,56,585</b>	<b>689715</b>	<b>4446300</b>	<b>100</b>	<b>0</b>

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ii. Shareholding of Promoters :

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year		% of change in shareholding during the year
		Number of shares held	% of total shares of the Company	Number of shares held	% of total shares of the Company	
1	Ajay Agarwal HUF	1000	0.02	1000	0.02	-
2	Ajay Babulal Agarwal	29100	0.65	29100	0.65	-
3	Amit Kishorilal Ramuka	182400	4.10	2,19,900	4.95	0.845
4	Anup Kishorilal Ramuka	193845	4.36	2,31,345	5.20	0.845
5	Babulal Agarwal HUF	14226	0.32	14226	0.32	-
6	Bankesh Chandra Agrawal	61200	1.38	61200	1.38	-
7	Gayatri Agarwal	44142	0.99	44142	0.99	-
8	Geeta Kishorilal Ramuka	40000	0.90	40000	0.90	-
9	Kailashchandra Suwalal Ramuka	60600	1.36	60600	1.36	-
10	Kanta Agarwal	37200	0.84	37200	0.84	-
11	Kishorilal Suwalal Ramuka	75672	1.70	672	0.02	(1.69)
12	Manoj Kumar Ramu Raman Agrawal	27000	0.61	27000	0.61	-
13	Mayank Sohanlal Ramuka	1100	0.02	1100	0.02	-
14	Meera Ramchandra Ramuka	17000	0.38	17000	0.38	-
15	Narangi Devi Agarwal	71920	1.62	71920	1.62	-
16	Om Pareek Investment Company Ltd	465700	10.47	465700	10.47	-
17	Pooja Ramuraman Agarwal	15000	0.34	15000	0.34	-
18	Pushpa Kailaschandra Ramuka	48500	1.09	48500	1.09	-
19	Rachna Agarwal	10000	0.22	10000	0.22	-
20	Radhika Anup Ramuka	25000	0.56	25000	0.56	-
21	Ramchandra Suwalal Ramuka	25500	0.57	25500	0.57	-
22	Ramkala Sohanlal Ramuka	10000	0.22	10000	0.22	-
23	Ramu Raman Agarwal	18600	0.42	18600	0.42	-
24	Ramu Raman Agarwal HUF	13900	0.31	13900	0.31	-
25	Shailendra Choudhary	109000	2.45	109000	2.45	-
26	Shalini Amit Ramuka	25000	0.56	25000	0.56	-
27	Shankar B Agarwal	40000	0.90	40000	0.90	-
28	Shree Hari Finvest Ltd	170000	3.82	170000	3.82	-
29	Smradhi Agarwal	37000	0.83	37000	0.83	-
30	Sohanlal S Ramuka	36500	0.82	36500	0.82	-
31	Sohanlal S Ramuka HUF	12200	0.27	12200	0.27	-
32	Suman Agarwal	117429	2.64	117429	2.64	-
33	Vikas Agarwal	59100	1.33	59100	1.33	-
34	Vikram S Choudhary	47500	1.07	47500	1.07	-
	<b>TOTAL</b>	<b>2142334</b>	<b>48.18</b>	<b>2142334</b>	<b>48.18</b>	<b>-</b>

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### iii. Change in Promoters' Shareholding:

Sr. No.	Name of Promoters	Shareholding at the beginning of the year		Date	Reason	Increase/ Decrease in Shareholding		Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/ end of the year (31.03.2016)	% of total shares of the Company			No of Shares	% of Total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Anup Kishorilal Ramuka	193845	4.36	01.04.2015	Gift from father	-	-	193845	4.36
		-	-	17.07.2015		37500	0.845	231345	5.205
		231345	5.205	31.03.2016		-	-	231345	5.205
2	Kishorilal Suwalal Ramuka	75672	1.70	01.04.2015	Gift to sons	-	-	75672	1.70
		-	-	17.07.2015		(75000)	1.69	672	0.01
		672	0.02	31.03.2016		-	-	672	0.02
3	Amit Ramuka	182400	4.10	01.04.2015	Gift from father	-	-	182400	4.10
		-	4.945	17.07.2015		37500	0.845	2,19,900	4.945
		2,19,900		31.03.2016		-	-	2,19,900	4.945

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iv. Shareholding pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs):

Sr. No.	Name	Shareholding at the beginning of the year		Date	Reason	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Vidya Ranganath	124769	2.81	01.04.2015	-	-	124769	2.81
		0	0	10.04.2015	Sale	-1185	123584	2.78
		0	0	17.04.2015	Sale	-440	123144	2.77
		0	0	24.04.2015	Sale	-13753	109391	2.46
		0	0	15.05.2015	Sale	-499	108892	2.45
		0	0	05.06.2015	Purchase	180	109072	2.45
		0	0	12.06.2015	Sale	-2991	106081	2.39
		0	0	19.06.2015	Purchase	45	106126	2.39
		0	0	26.06.2015	Sale	-13969	92157	2.07
		0	0	30.06.2015	Sale	-2279	89878	2.02
		0	0	03.07.2015	Sale	-7030	82848	1.86
		0	0	10.07.2015	Sale	-16846	66002	1.48
		0	0	17.07.2015	Purchase	3253	69255	1.56
		0	0	24.07.2015	Purchase	146	69401	1.56
		0	0	07.08.2015	Sale	-4377	65024	1.46
		0	0	14.08.2015	Sale	-19477	45547	1.02
		0	0	21.08.2015	Purchase	352	45899	1.03
		0	0	23.10.2015	Sale	-2064	43835	0.99
		0	0	13.11.2015	Sale	-6522	37313	0.84
		0	0	20.11.2015	Sale	-5521	31792	0.72
		0	0	27.11.2015	Sale	-6202	25590	0.58
		0	0	04.12.2015	Sale	-9853	15737	0.35
		0	0	11.12.2015	Purchase	2983	18720	0.42
		0	0	18.12.2015	Purchase	3921	22641	0.51
		0	0	25.12.2015	Purchase	2975	25616	0.58
		0	0	31.12.2015	Purchase	6815	32431	0.73
		0	0	01.01.2016	Purchase	1981	34412	0.77
		0	0	08.01.2016	Purchase	7392	41804	0.94
		0	0	15.01.2016	Purchase	1325	43129	0.97
		0	0	22.01.2016	Purchase	2874	46003	1.03
		0	0	05.02.2016	Sale	-184	45819	1.03
		0	0	19.02.2016	Purchase	1729	47548	1.07
		0	0	26.02.2016	Purchase	3880	51428	1.16
		0	0	04.03.2016	Sale	-1076	50352	1.13
		0	0	25.03.2016	Sale	-1170	49182	1.11
		48986	1.1	31.03.2016	Sale	-196	48986	1.1

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Sr. No.	Name	Shareholding at the beginning of the year		Date	Reason	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
2.	Deenbandhu Jalan	55220	1.24	01.04.2015	-	-	55220	1.24
		0	0	10.04.2015	Purchase	124	55344	1.24
		0	0	17.04.2015	Purchase	144	55488	1.25
		0	0	24.04.2015	Purchase	140	55628	1.25
		0	0	01.05.2015	Purchase	1588	57216	1.29
		0	0	08.05.2015	Purchase	3410	60626	1.36
		0	0	15.05.2015	Purchase	3494	64120	1.44
		0	0	29.05.2015	Purchase	62	64182	1.44
		0	0	05.06.2015	Sale	-1000	63182	1.42
		0	0	12.06.2015	Sale	-100	63082	1.42
		0	0	19.06.2015	Sale	-22108	40974	0.92
		0	0	26.06.2015	Sale	-18833	22141	0.5
		0	0	30.06.2015	Sale	-1100	21041	0.47
		0	0	03.07.2015	Sale	-3603	17438	0.39
		0	0	10.07.2015	Sale	-1423	16015	0.36
		0	0	17.07.2015	Sale	-1357	14658	0.33
		0	0	24.07.2015	Sale	-240	14418	0.32
		0	0	31.07.2015	Sale	-350	14068	0.32
		0	0	07.08.2015	Sale	-1926	12142	0.27
		0	0	14.08.2015	Sale	-260	11882	0.27
		0	0	28.08.2015	Purchase	506	12388	0.28
		0	0	04.09.2015	Purchase	99	12487	0.28
		0	0	11.09.2015	Purchase	262	12749	0.29
		0	0	18.09.2015	Purchase	3000	15749	0.35
		0	0	25.09.2015	Purchase	906	16655	0.37
		0	0	30.09.2015	Purchase	100	16755	0.38
		0	0	09.10.2015	Purchase	200	16955	0.38
		0	0	16.10.2015	Purchase	2500	19455	0.44
		0	0	18.12.2015	Sale	-654	18801	0.42
		0	0	25.12.2015	Sale	-250	18551	0.42
		0	0	31.12.2015	Sale	-1600	16951	0.38
		0	0	08.01.2016	Sale	-1600	15351	0.35
		0	0	15.01.2016	Sale	-1232	14119	0.32
		0	0	22.01.2016	Sale	-2964	11155	0.25
		0	0	29.01.2016	Sale	-3378	7777	0.17
		0	0	05.02.2016	Sale	-3014	4763	0.11
		0	0	19.02.2016	Sale	-4563	200	0
		0	0	26.02.2016	Purchase	700	900	0.02
		0	0	04.03.2016	Sale	-300	600	0.01
		0	0	11.03.2016	Sale	-522	78	0
		78	0	31.03.2016	-	-	78	0



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Sr. No.	Name	Shareholding at the beginning of the year		Date	Reason	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
3	Simco Mercantile Ltd	30500	0.69	01.04.2015	-	-	30500	0.69
		0	0	11.09.2015	Sale	-700	29800	0.67
		29800	0.67	31.03.2016	-	-	29800	0.67
4	Sandeep Agarwal	21000	0.47	01.04.2015	-	-	21000	0.47
		0	0	26.06.2015	Sale	-21000	0	0
		0	0	31.03.2016	-	-	0	0
5	Ashith M S	19700	0.44	01.04.2015	-	-	19700	0
		0	0	30.06.2015	Purchase	50	19750	0.44
		0	0	19.02.2016	Sale	-3007	16743	0.38
		0	0	26.02.2016	Sale	-4743	12000	0.27
		0	0	04.03.2016	Sale	-1829	10171	0.23
		10171	0.23	31.03.2016	-	-	10171	0.23
6	Sharekhan Limited	19075	0.43	01.04.2015	-	-	19075	0.43
		0	0	03.04.2015	Purchase	14	19089	0.43
		0	0	10.04.2015	Purchase	1002	20091	0.45
		0	0	17.04.2015	Sale	-1680	18411	0.41
		0	0	24.04.2015	Sale	-250	18161	0.41
		0	0	01.05.2015	Sale	-159	18002	0.4
		0	0	08.05.2015	Purchase	16	18018	0.41
		0	0	15.05.2015	Sale	-160	17858	0.4
		0	0	22.05.2015	Sale	-20	17838	0.4
		0	0	29.05.2015	Purchase	631	18469	0.42
		0	0	05.06.2015	Sale	-1851	16618	0.37
		0	0	12.06.2015	Purchase	285	16903	0.38
		0	0	19.06.2015	Purchase	15884	32787	0.74
		0	0	26.06.2015	Sale	-29590	3197	0.07
		0	0	30.06.2015	Purchase	327	3524	0.08
		0	0	03.07.2015	Purchase	7332	10856	0.24
		0	0	10.07.2015	Sale	-9873	983	0.02
		0	0	17.07.2015	Purchase	520	1503	0.03
		0	0	24.07.2015	Sale	-880	623	0.01
		0	0	31.07.2015	Purchase	4273	4896	0.11
0	0	07.08.2015	Purchase	286	5182	0.12		
0	0	14.08.2015	Sale	-3980	1202	0.03		
0	0	21.08.2015	Sale	-658	544	0.01		
0	0	28.08.2015	Sale	-79	465	0.01		
0	0	04.09.2015	Purchase	29	494	0.01		
0	0	11.09.2015	Sale	-244	250	0.01		

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Sr. No.	Name	Shareholding at the beginning of the year		Date	Reason	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
		0	0	25.09.2015	Purchase	100	350	0.01
		0	0	30.09.2015	Sale	-100	250	0.01
		0	0	09.10.2015	Sale	-100	150	0
		0	0	16.10.2015	Purchase	1052	1202	0.03
		0	0	23.10.2015	Purchase	110	1312	0.03
		0	0	30.10.2015	Sale	-250	1062	0.02
		0	0	06.11.2015	Purchase	1650	2712	0.06
		0	0	13.11.2015	Purchase	1644	4356	0.1
		0	0	20.11.2015	Sale	-3444	912	0.02
		0	0	27.11.2015	Purchase	95	1007	0.02
		0	0	04.12.2015	Purchase	675	1682	0.04
		0	0	11.12.2015	Sale	-730	952	0.02
		0	0	18.12.2015	Purchase	100	1052	0.02
		0	0	25.12.2015	Sale	-115	937	0.02
		0	0	31.12.2015	Purchase	50	987	0.02
		0	0	01.01.2016	Purchase	100	1087	0.02
		0	0	08.01.2016	Sale	-93	994	0.02
		0	0	15.01.2016	Purchase	208	1202	0.03
		0	0	22.01.2016	Sale	-215	987	0.02
		0	0	19.02.2016	Purchase	806	1793	0.04
		0	0	26.02.2016	Sale	-761	1032	0.02
		0	0	04.03.2016	Sale	-982	50	0
		0	0	18.03.2016	Purchase	150	200	0
		0	0	25.03.2016	Purchase	3950	4150	0.09
		556	0.01	31.03.2016	Sale	-3594	556	0.01
7	Hania Trade Invest Private Limited	18000	0.4	01.04.2015	-	-	18000	0.4
		18000	0.4	31.03.2016	-	-	18000	0.4
8	Brij Mohini Kuthiala	16413	0.37	01.04.2015	-	-	16413	0.37
		0	0	24.04.2015	Purchase	15000	31413	0.71
		0	0	01.05.2015	Purchase	4649	36062	0.81
		0	0	15.05.2015	Sale	-2500	33562	0.75
		0	0	12.06.2015	Sale	-1908	31654	0.71
		31654	0.71	31.03.2016	-	-	-	0.71
9	Sundeep Rajpal Chhabra	15000	0.34	01.04.2015	-	-	15000	0.34
		0	0	29.05.2015	Sale	-1500	13500	0.3
		0	0	19.06.2015	Sale	-1500	12000	0.27
		0	0	10.07.2015	Sale	-7000	5000	0.11
		0	0	17.07.2015	Sale	-5000	0	0
		0	0	31.03.2016	-	-	0	0

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Sr. No.	Name	Shareholding at the beginning of the year		Date	Reason	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
10	Dr Ramesh Chimanlal Shah	15000	0.34	01.04.2015	-	-	15000	0.34
		0	0	08.05.2015	Sale	-3000	12000	0.27
		0	0	05.06.2015	Purchase	8000	20000	0.45
		0	0	19.06.2015	Sale	-16000	4000	0.09
		0	0	31.07.2015	Sale	-4000	0	0
		0	0	31.03.2016	-	-	0	0
11	Lakhpat Meghraj Bhandari	46245	1.04	01.04.2015	-	-	46245	1.04
		0	0	26.06.2015	Sale	-42495	3750	0.08
		0	0	30.06.2015	Purchase	400	4150	0.09
		0	0	03.07.2015	Sale	-100	4050	0.09
		0	0	10.07.2015	Purchase	1015	5065	0.11
		0	0	17.07.2015	Sale	-1500	3565	0.08
		0	0	24.07.2015	Purchase	1569	5134	0.12
		0	0	31.07.2015	Purchase	2026	7160	0.16
		0	0	07.08.2015	Purchase	1235	8395	0.19
		0	0	14.08.2015	Purchase	4819	13214	0.3
		0	0	21.08.2015	Purchase	1500	14714	0.33
		0	0	28.08.2015	Purchase	3776	18490	0.42
		0	0	04.09.2015	Purchase	5837	24327	0.55
		0	0	11.09.2015	Purchase	3608	27935	0.63
		0	0	18.09.2015	Purchase	1324	29259	0.66
		0	0	25.09.2015	Purchase	929	30188	0.68
		0	0	30.09.2015	Purchase	287	30475	0.69
		0	0	16.10.2015	Purchase	1500	31975	0.72
		0	0	30.10.2015	Purchase	2613	34588	0.78
		0	0	06.11.2015	Purchase	4710	39298	0.88
		0	0	13.11.2015	Purchase	980	40278	0.91
		0	0	20.11.2015	Purchase	3893	44171	0.99
		0	0	27.11.2015	Purchase	555	44726	1.01
		0	0	04.12.2015	Purchase	269	44995	1.01
		0	0	11.12.2015	Sale	-1470	43525	0.98
		0	0	18.12.2015	Purchase	2485	46010	1.03
0	0	25.12.2015	Sale	-1446	44564	1		
0	0	31.12.2015	Sale	-3300	41264	0.93		
0	0	08.01.2016	Purchase	1058	42322	0.95		
0	0	15.01.2016	Purchase	1836	44158	0.99		
0	0	22.01.2016	Purchase	822	44980	1.01		
0	0	26.02.2016	Purchase	780	45760	1.03		
		46245	1.04	04.03.2016	Purchase	485	46245	1.04

## SHREE HARI CHEMICALS EXPORT LTD.

Sr. No.	Name	Shareholding at the beginning of the year		Date	Reason	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
12	Shantilal Narshi Gada	21800	0.49	01.04.2015	-	-	21800	0.49
		0	0	16.10.2016	Sale	-21795	5	0
		0	0	20.11.2015	Purchase	995	1000	0.02
		0	0	18.12.2016	Purchase	2000	3000	0.07
		0	0	05.02.2016	Sale	-1000	2000	0.04
		0	0	04.03.2016	Purchase	18000	20000	0.45
		21800	0.49	31.03.2016	Purchase	1800	21800	0.49
13	Sarita Gupta	20393	0.46	01.04.2015	-	-	20393	0.46
		0	0	16.10.2015	Sale	-19393	1000	0.02
		0	0	23.10.2015	Purchase	8089	9089	0.2
		0	0	30.10.2015	Purchase	5629	14718	0.33
		0	0	06.11.2015	Purchase	6295	21013	0.47
		20393	0.46	18.03.2016	Sale	-620	20393	0.46
14	Lavanya M Wadhvani	19156	0.43	01.04.2015	-	-	19156	0.43
		0	0	26.06.2015	Sale	-18156	1000	0.02
		0	0	31.07.2015	Purchase	2000	3000	0.07
		0	0	07.08.2015	Purchase	1000	4000	0.09
		0	0	14.08.2015	Purchase	1000	5000	0.11
		0	0	21.08.2015	Purchase	3906	8906	0.2
		0	0	28.08.2015	Purchase	4285	13191	0.3
		0	0	31.12.2015	Purchase	3915	17106	0.38
		19156	0.43	15.01.2016	Purchase	2050	19156	0.43
15	Vasant Maheshwar Datar	17200	0.39	01.04.2016	-	-	17200	0.39
		0	0	05.06.2015	Sale	-3991	13209	0.3
		0	0	12.06.2015	Purchase	1791	15000	0.34
		0	0	19.06.2015	Purchase	1000	16000	0.36
		0	0	21.08.2015	Purchase	700	16700	0.38
		17200	0.39	28.08.2015	Purchase	500	17200	0.39
16	Kartik Bharat Pujara	14550	0.33	01.04.2015	-	-	14550	0.33
				31.03.2015	Sale	-12050	2500	0.06
				29.05.2015	Purchase	3825	6325	0.14
				10.07.2015	Purchase	1225	7550	0.17
				17.07.2015	Purchase	7000	14550	0.33

## 29th ANNUAL REPORT (2015-2016)

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.03.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of Shares	% of total Shares of the Company
1	Kishorilal Suwalal Ramuka	75672	1.7	01.04.2015	-	-	75672	1.7
		-	-	17.07.2015	-75000	Gift to sons	672	0.02
		672	0.02	31.03.2016			672	0.02
2	Bankesh Chandra Agrawal	61200	1.38	01.04.2015	-	-	-	-
		61200	1.38	31.03.2016	-	-	61200	1.38
Key Managerial Personnel								
NIL								

### V. INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans (in Rs.)	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	-	-	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
Addition	34,30,188.47		-	34,30,188.47
Reduction	-	-	-	-
Net Change	34,30,188.47	-	-	34,30,188.47
Indebtedness at the end of the financial year	-	-	-	-
i. Principal Amount	34,30,188.47	-	-	34,30,188.47
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	34,30,188.47	-	-	34,30,188.47

## SHREE HARI CHEMICALS EXPORT LTD.

### VI. Remuneration of Directors and Key Managerial Personnel

#### A. Remuneration to Managing Director, Whole Time Directors and/or Manager

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		
		Kishori Lal Ramuka-Chairman & Executive Director	Bankesh Chandra Agrawal - Managing Director	Hanuman Prasad Ramuka - Whole Time Director
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	82.80	82.80	27.00
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
5.	Others (Allowances)	-	-	8.78
	Total (A)	82.80	82.80	35.78
	Ceiling as per the Act	Within the limits of Schedule V of the Act	Within the limits of Schedule V of the Act	Within the limits of Schedule V of the Act

#### B. Remuneration to other Directors

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Arvind Chirania	Vrijanand Gupta	Vinit Kedia	Ekta Sultania	
1	Independent Directors · Fee for attending board committee meetings · Commission · Others	0.20	0.20	0.20	0.12	0.72
	Total (1)	0.20	0.20	0.20	0.12	0.72
2	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	0.20	0.20	0.20	0.12	0.72
	Overall Ceiling as per the Act	Within the ceiling limits of Section 197 of the Act.				

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C. Remuneration to Key Managerial Personnel other than ED/MD/ Manager/WTD : (₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Sanjay Kedia (CFO)	Priyanka Ajmera (Company Secretary)	
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	12.00	1.22	13.22
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
5.	Others (Allowances)	15.75	1.47	17.22
	Total (A)	27.75	2.69	30.44

**VII. Penalties/ Punishment/ Compounding of Offences - NONE**

**For and on behalf of the Board**

**Place: Mumbai**  
**Date: 1st August, 2016**

**Bankesh Chandra Agrawal**  
**Chairman & Executive Director**

## SHREE HARI CHEMICALS EXPORT LTD.

### ANNEXURE II

#### FORM No. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To,  
The Members,  
Shree Hari Chemicals Export Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shree Hari Chemicals Export Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 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 and amendments from time to time;
  - (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; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company 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; (Not applicable to the Company during the audit period)



## 29th ANNUAL REPORT (2015-2016)

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi) Other laws specifically applicable to the Company namely
- 1) Factories Act, 1948
  - 2) Water (Prevention and control of pollution) Act, 1974
  - 3) The Air (Prevention and Control of Pollution) Act, 1981
  - 4) Hazardous Waste (Management, Handling & Transboundary movement) Rules, 2008
  - 5) Public Liability Act, 1991

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

During the period under review, the Company has an unspent amount of Rs. 31,13,649/- against the amount of Rs. 39,86,456/- to be spent during the year towards Corporate Social Responsibility.

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

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period the Company had following events which had bearing on the Company's affairs of the above referred laws, rules, regulations, guidelines etc.

The Company had received a notice vide letter dated 17th June, 2015, from the Regional Officer, Mahad, Maharashtra Pollution Control Board ("Board") directing to close the manufacturing activities of the company's factory and hence manufacturing activities were closed. However, the same was restarted vide order dated 10th July, 2015 received from the said Board.

For Parikh Parekh & Associates  
Company Secretaries

**Place: Mumbai**  
**Date: 30th May, 2016**

**Signature:** **J.U.Poojari**  
**Partner**  
**FCS No: 8102** **CP No: 8187**

*This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.*

## SHREE HARI CHEMICALS EXPORT LTD.

### 'Annexure A'

To,

The Members

Shree Hari Chemicals Export Limited

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 process 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 process 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 procedure 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 Parikh Parekh & Associates**  
Company Secretaries

**Place: Mumbai**

**Date: 30th May, 2016**

**Signature:**

**J.U.Poojari**  
**Partner**

**FCS No: 8102**

**CP No: 8187**

## 29th ANNUAL REPORT (2015-2016)

### ANNEXURE III PARTICULARS OF EMPLOYEES

#### B. Remuneration of Directors [Section 197(12) and Rule 13.3

- (a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Executive directors	Ratio to median remuneration
Shri Kishori Lal Ramuka	22:01
Shri Bankesh Chandra Agrawal	22:01
Shri Hanuman Prasad Ramuka	9:01

- (b) The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase/decrease in remuneration in the financial year
Shri Kishori Lal Ramuka - Chairman & Executive Director	-52%
Shri Bankesh Chandra Agrawal – Managing Director	-52%
Shri Hanuman Prasad Ramuka – Whole time Director	49%
Shri Sanjay Kedia -Chief Financial Officer	15%

- (c) The percentage increase in the median remuneration of employees in the financial year 2015-16 compared to 2014-15 is 27%

- (d) The number of permanent employees on the rolls of Company : 69 Employees as on 31.03.2016.

- (e) The explanation on the relationship between average increase in remuneration and Company performance :

In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance and individual utilization in addition to individual performance. The increase in remuneration is in line with the market trends.

- (f) Comparison of the remuneration of the key managerial personnel against the performance of the Company :

Aggregate remuneration of key managerial personnel (KMP) in FY 15-16 (₹ Lakhs)	231.82
Revenue (₹ Lakhs)	10366.70
Remuneration of KMPs (as % of revenue)	2.24
Profit before Tax (PBT) (₹ Lakhs)	94.12
Remuneration of KMP (as % of PBT)	246.30

- (g) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year :

Particulars	31-Mar-16	31-Mar-15	% Change
Market Capitalisation( ₹ Lakhs)	4001.67	4810.89	-17
Price Earnings Ratio	35.57	1.50	2266.67

## SHREE HARI CHEMICALS EXPORT LTD.

- (h) **Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:**

Particulars	March 31, 2016	(IPO)	% Change*(?)
Market Price (BSE)	90	-	-

- (i) **Average percentile increase in the salaries of employees other than the managerial personnel : 12.50%**
- (j) **Comparison of each remuneration of the key managerial personnel against the performance of the Company :**

(₹ in Lakhs)

	Chairman & Executive Director	Managing Director	Whole Time Director	CFO	Company Secretary
Remuneration in FY 15-16 (₹ Lakhs)	82.80	82.80	35.78	27.75	2.69
Revenue (₹ Lakhs)	10366.70				
Remuneration as % of revenue	0.80	0.80	0.34	0.27	0.026
Profit before Tax (PBT) (₹ Lakhs)	94.12				
Remuneration (as % of PBT)	87.97	87.97	38.02	29.48	2.85

- (k) **The key parameters for any variable component of remuneration availed by the directors:**  
N.A.
- (l) **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:** None
- (m) **Affirmation that the remuneration is as per the remuneration policy of the Company**  
The Company affirms remuneration is as per the remuneration policy of the Company.
- (n) **Details of employees who are in receipt of remuneration in aggregate of Rupees Sixty lakhs for the year or Rupees Five lacs per month, if employed for part of the year.**

Name	Age	Designation	Qualification	Experience	Remuneration (₹ In lakhs)	Nature of Employment	Date of commencement of employment	Last employment / Designation	% of Share holding
K. L. Ramuka	68	Chairman & Executive Director	B. Com	Over 42 years in Textile and Chemical Industry	82.80	Contractual	29.10.1998	Ramuka Textiles Pvt. Ltd. (Director)	0.015
B. C. Agrawal	65	Managing Director	B. Com AICWA	Over 40 years in Yarn and Chemical Industry	82.8	Contractual	09.10.1987	Shubhlaxmi Syntex Pvt. Ltd. (Director)	1.38

There are no other employees who were in receipt of remuneration for that year in the aggregate of sixty lakh rupees or for five lakh rupees per month, if employed for part of the year.

**For and on behalf of the Board**

**Place: Mumbai**  
**Date: 1st August, 2016**

**Bankesh Chandra Agrawal**  
**Chairman & Executive Director**

## 29th ANNUAL REPORT (2015-2016)

### ANNEXURE – IV

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

**1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

SHCEL intends to make a positive difference to society and contribute its share towards the social cause of betterment of society and area in which Company operates. SHCEL recognizes that its business activities have wide impact on the societies in which it operates and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. The Company endeavors to make CSR a key business process for sustainable development.

Our CSR initiatives focus on promoting education, preventive health care and sanitation, environmental sustainability and measures for benefits of villagers in rural areas of Raigad District. These projects are in accordance with Schedule VII of the Companies Act, 2013.

The CSR Policy was approved by the Board of Directors at its Meeting held on 29th May, 2014 and has been uploaded on the Company's website. The web link is: [http://www.shreeharichemicals.in / policies.aspx](http://www.shreeharichemicals.in/policies.aspx)

**2. Composition of the CSR Committee:** CSR Committee comprises of the following Directors:

Shri. Arvind Chirania - Chairman  
Shri. Virjanand Gupta - Member  
Shri. Vinit Kedia - Member

**3. Average net profit of the Company for last three financial years for the purpose of computation of CSR : ₹ 1993.23 Lakhs**

**4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : ₹ 39.86 Lakhs**

**5. Details of CSR spent during the financial year :**

(a) Total amount to be spent for the financial year :	₹ 39.86 Lakhs
(b) Amount unspent, if any :	₹ 31.14 lakhs

## SHREE HARI CHEMICALS EXPORT LTD.

(c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programmes 1) Local area or other 2) Specify the State and district where Projects or Programs was undertaken	Amount outlay (budget) project or program-wise (₹ in Lakhs)	Amount spent on the projects or programs Sub-heads (1) Direct expenditure thereon projects or programs (2) other heads: (₹ in Lakhs)	Cumulative expenditure up to the reporting period (₹ in Lakhs)	Amount spent Direct or through implementing agency*
1	Supply of samplings	Environmental Sustainability	Local area Tetghar	0.075	Direct Expenditure	0.075	Direct
2	Supply and installation of domestic light fitting to RZP school	Promoting education	Local area Terdewadi	0.06025	Direct Expenditure	0.13525	Direct
3	Eye checking and spectacles distribution to old age villagers	preventive health care and sanitation	Local area Temghar & Jite	0.3425	Direct Expenditure	0.47775	Direct
4	Supply of school uniform	Promoting education	Local area Fouji Ambavade	0.063	Direct Expenditure	0.54075	Direct
5	RZP school garden development	Promoting education	Local area Jite	0.025	Direct Expenditure	0.56575	Direct
6	Replacement of damaged water line of water supply system.	preventive health care and sanitation	Local area Temghar	0.23650	Direct Expenditure	0.80225	Direct
7	Donation for emergency Ambulance of Satya Sai Baba Trust	preventive health care and sanitation	Local area Mahad	2.00	Direct Expenditure	2.80225	Direct
8	MIDC water bill of Grampanchayat	preventive health care and sanitation	Local area Jite	3.00587	Direct Expenditure	5.80812	Direct

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Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programmes 1) Local area or other 2) Specify the State and district where Projects or Programs was undertaken	Amount outlay (budget) project or program-wise (₹ in Lakhs)	Amount spent on the projects or programs Sub-heads (1) Direct expenditure thereon projects or programs (2) other heads: (₹ in Lakhs)	Cumulative expenditure up to the reporting period (₹ in Lakhs)	Amount spent Direct or through implementing agency*
9	Sponsorship for National Level Tech Fest at DBATU	Promoting education	Local area DBATU Lonere	0.25	Direct Expenditure	6.05812	Direct
10	Primary school painting	Promoting education	Local area Temghar	0.25	Direct Expenditure	6.30812	Direct
11	Compound wall for primary school	Promoting education	Local area Kusgaon	0.41995	Direct Expenditure	6.72807	Direct
12	Purchase of equipments for handicapped peoples.	preventive health care and sanitation	Local area Mahad	2.00	Direct Expenditure	8.72807	Direct

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report

There is a deficit of Rs.31.14 Lakhs in the Company's CSR spent during the financial year under report. In view of the significant reduction in the profitability of the Company during the financial year under report, there was a financial constraint in spending the required amount under the CSR activities.

During the period under review, the Company has an unspent amount of Rs. 31,13,649/- against the amount of Rs. 39,86,456/-to be spent during the year towards Corporate Social Responsibility.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and policy of the Company.

**Anup Ramuka**  
Managing Director

**Arvind Chirania**  
Chairman CSR Committee

## SHREE HARI CHEMICALS EXPORT LTD.

### ANNEXURE V

#### FORM NO. AOC.2

**(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances if any	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188
Shri Anup Ramuka son of Shri Kishori Lal Ramuka	Employment	continuous	Monthly Salary of Rs. 2.00 Lakhs (During the FY 2015-16 Rs. 24.00 Lakhs)	Shri Anup Ramuka, is a Master of Business Administration (MBA) from Chetna Institute of Management and his knowledge and services would be beneficial to the Company	14.03.2014	N.A	N.A
Shri Amit Ramuka son of Shri Kishori Lal Ramuka	Employment	continuous	Monthly Salary of Rs. 2.00 Lakhs (During the FY 2015-16 Rs. 24.00 Lakhs)	Shri Amit Ramuka, is a Master of Business Administration (MBA) from Chetna Institute of Management and his knowledge and services would be beneficial to the Company	14.03.2014	N.A	N.A



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Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances if any	Date on which the special resolution was passed in General Meeting as required under proviso to Section 188
Shri Sarthak Agrawal son of Shri Bankesh Chandra Agrawal	Employment	continuous	Monthly Salary of Rs. 2.00 Lakhs (During the FY 2015-16 Rs. 24.00 Lakhs)	Shri Sarthak Agarwal, is a Master of Business Administration (MBA) from Indian Institute of Planning and Management (I. I. P. M.). University and his knowledge and services would be beneficial to the Company	14.03.2014	N.A	N.A
Smt. Shalini Kedia relative KMP	Employment	continuous	Monthly Salary of Rs. 0.50 Lakhs plus other benefits (During the FY 2015-16 Rs. 6.75 Lakhs)	Smt. Shalini Kedia is a Bachelor of Arts (B. A.) and her knowledge and services would be beneficial to the Company	12.08.2015	N.A	N.A

**2. Details of material contracts or arrangements or transactions at arm's length basis: NIL**

**For and on behalf of the Board**

**Place: Mumbai  
Date: 1st August, 2016**

**Bankesh Chandra Agrawal  
Chairman & Executive Director**

## SHREE HARI CHEMICALS EXPORT LTD.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### INDUSTRY STRUCTURE AND DEVELOPMENT :

India is the second largest producer of dyes and Dye Intermediates in Asia after China. The Indian colorants industry is highly fragmented, with a large number of players in the unorganized sector. The overall production of dyestuffs in FY 15 was about 184-kt, while that for pigments was about 95-kt. capacity available in the industry was however higher at 352-ktpa and 100-ktpa for dyes and pigments respectively.

The total domestic market for dyes is estimated at about 46-kt in FY15. The textile industry consumes nearly 60% of the dyes produced in the country, while the remaining is shared by paper, leather & other industries. Although India is a large exporter of dyes, these are viewed as commodities in the global market, instead of branded products.

The industry has set a target to grow at a rate of 12% annually over the Twelfth Five Year Plan period (2012-17). Total exports of dyes in FY15 is estimated at about 170-kt-accounting for about 90% of domestic production. Imports are also significant at about 32-kt-mainly vat and disperse dyes and mostly from China.

#### OPPORTUNITY & THREATS :

World demand for dyes and Organic pigments is expected to grow 6.0% per year to \$19.05-bn in 2019. In volume terms, the market is projected to grow at a CAGR of 3.65 from 2013 to 2018 and reach 11-mt by 2018. Asia Pacific, with its thriving economies and rapidly expanding manufacturing bases, is expected to experience highest consumption during the next five years.

Rising consumer spending will drive increased demand for organic colorants in textiles and plastics. Increases in value demand will reflect the growing importance of expensive, higher value dyes and pigments that meet increasingly stringent performance standards and preferences for more environmentally friendly products.

The factors restraining the growth of colorants market are raw material price volatility, its global over-capacity, and environmental concerns.

#### SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE :

Since the company operation in single segment DYE Intermediate i.e., 1-Amino, 8-Naphthol, 3-6 Disulphonic acid, therefore the above figures related to that segment.

#### OUTLOOK :

The product of the company is an Intermediate for the dyestuff which is used in Reactive Dyes, Acid Dyes and Direct Dyes. Significant quantities of reactive dyes, mainly based on cyanuric are also imported. Reactive Dyes used in cotton textiles and as the demand of cotton textile is increasing which in turn will boost the demand of the product we manufacture.

#### RISKS & CONCERNS

The industry also faces several challenges on the environmental front, as the company is falling under red category, any stringent norms fixed by the regulators may affect the working of the company.

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The company has appropriate and adequate internal control system for its business processes at all sites with regards to efficiency of operation, accurate and prompt financial reporting, compliance with applicable law and regulations etc. the company continues to regularly evaluate and strengthen its Internal Control Systems to be commensurate with its size and the nature of the business.

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### FINANCIAL PERFORMANCE :

(₹ in Lakhs)

Particulars	2014-2015	2015-2016	% Changes
Total quantity of sales (MT)	1507.038	2304.948	52.93
Income from operations (RS.)	13099.69	10096.43	(22.93)
Profit before interest, Depreciation and Tax (RS.)	5203.74	412.53	(92.07)
Interest Expenditure (RS.)	15.57	10.47	(32.76)
Depreciation (RS.)	332.42	307.93	(7.37)
Net Profit (RS.)	3206.83	112.48	(96.49)

### HUMAN RESOURCES / INDUSTRIAL RELATIONS :

The human resource plays a vital role in the growth and success of an organization. The Company has maintained cordial and harmonious relations with employees. Your company's Humans Resources Policies are directed towards attaining, motivating, rewarding and retaining talent at all levels in the organizations. Human Resources Development Department is being strengthened to meet the ever-growing challenges in motivating and retaining the talents by streamlining the rules, policies and procedures. The Company has built a competent team to handle challenging assignments. The Company presently has 69 employees.

### CAUTIONARY STATEMENT :

Certain statement in the management discussion and analysis may be forward looking within the meaning of applicable securities law and regulations and actual results may differ materially from those expressed or implied. Factors that would make differences to Company's operations include competition, price realisation, currency fluctuations, regulatory issues, changes in government policies and regulations, tax regimes, economic development within India and the countries in which the Company conducts business and other incidental factors.

## SHREE HARI CHEMICALS EXPORT LTD.

### SHREE HARI CHEMICALS EXPORT LIMITED REPORT ON CORPORATE GOVERNANCE

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, given below is a report on the Corporate Governance in the Company:

#### I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy of Corporate Governance is to protect the long-term interest of the shareholders while respecting interest of other stakeholders and society at large.

The Company is committed to good corporate governance and transparency in its dealings and lays emphasis on integrity and regulatory compliance.

#### II. BOARD OF DIRECTORS

- i. The Board of Directors comprises of two Promoter Directors (Chairman & Executive Director and Managing Director), one Whole-time Director and four Non-Executive Independent Directors including one woman director. The Executive Chairman, Managing Director and the Whole-time Director conduct the day to day management of the Company subject to the supervision and control of the Board of Directors.
- ii. None of the Directors on the board hold directorships in more than ten public companies. Further none of them is a member of more than ten committee or Chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosure regarding Committee positions in other public companies as on March 31, 2016 have been made by the Directors. None of the Directors are related to each other.
- iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations. All the Independent Directors comply with the requirements mentioned under Regulation 16(1) (b) of SEBI listing Regulations and Section 149 of the Companies Act, 2013 ("the Act").
- iv. Four Board Meetings were held during the year 2015-2016. The dates on which the said meetings were held are as follows:  
28th May, 2015, 12th August, 2015, 09th November, 2015 and 12th February, 2016.
- v. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other public companies as on March 31, 2016 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act, Chairmanships/Memberships of Board Committees shall include Audit Committee and Stakeholders' Relationship Committee alone.

Name of Director	Category	Number of meetings during the financial year 2015 -16		Attendance at the last AGM	Number Directorships in other Public Companies	No. of Committees positions held in other public companies	
		held	attended			Member	Chairman
#Shri Kishori Lal Ramuka	Chairman & Executive Director	4	4	No	NIL	NIL	NIL
##Shri Bankesh Chandra Agrawal	Managing Director	4	4	Yes	NIL	NIL	NIL
Shri Hanuman Prasad Ramuka	Whole time Director	4	4	Yes	NIL	NIL	NIL
Shri Virjanand Gupta	**I & N.E.D.	4	4	Yes	NIL	NIL	NIL
Shri Arvind Chirania	**I & N.E.D.	4	4	Yes	NIL	NIL	NIL
Shri Vinit Kedia	**I & N.E.D.	4	4	Yes	NIL	NIL	NIL
Smt. Ekta Sultania	**I & N.E.D.	4	4	Yes	NIL	NIL	NIL

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\*\* I & N.E.D. – Independent & Non-Executive Director.

#Shri Kishori Lal Ramuka, Chairman and Executive Director of the Company resigned from the Directorship of the Company with effect from 1st July, 2016.

## Shri Bankesh Chandra Agrawal resigned as Managing Director of the Company and appointed as Chairman and Executive Director of the Company with effect from 1st July, 2016.

Shri Anup Ramuka appointed as an Additional Director and also as a Managing Director with effect from 1st July, 2016.

- vi. During the year 2015-16, information as mentioned in Schedule II Part A of SEBI Listing Regulations, has been placed before the Board for its consideration.
- vii. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company.
- viii. During the year, one meeting of the Independent Directors was held on 12th February, 2016.
- ix. The Board periodically reviews the compliance reports of all laws applicable to the company, prepared by the company.
- x. None of the Non-executive directors of the company hold any equity shares in the company.
- xi. Familiarisation Programme : kindly refer to the Company's website for details of the familiarisation programme for Independent Directors in respect of their roles, rights, responsibilities in the Company, nature of the industry in which Company operates, business model of the Company and related matters.
- xii. The details in respect of directors to be appointed/ reappointed of directors as per Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Secretarial Standards on General Meetings is provided alongwith the notice calling the Annual General Meeting.
- xiii. Details of the equity shares held by the Directors as on March 31, 2016 are given below:

Name	Category	Number of equity Shares
Shri Kishori Lal Ramuka	Non Independent, Executive	672
Shri Bankesh Chandra Agrawal	Non Independent, Executive	61,200

The Company has not issued any convertible instruments.

### III. CODE OF CONDUCT

The Code of Conduct has been formulated for the Board Members and Senior Management Personnel. The code incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website [www.shreeharichemicals.in](http://www.shreeharichemicals.in). All the Board Members and Senior Management Personnel have affirmed compliance with the applicable Code of Conduct. A declaration to this effect, signed by Shri Anup Ramuka, Managing Director forms part of this report.

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### IV. AUDIT COMMITTEE

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

The terms of reference to Audit Committee, inter-alia, covers all the matters specified under Section 177 of the Companies Act, 2013 and also all the matters listed under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 such as oversight of the Company's financial reporting process; recommending the appointment/reappointment, remuneration and terms of appointment of statutory auditors; review and monitor the Auditors independence and performance and effectiveness of audit process; approval of transactions with related parties; sanctioning of loans and investments; evaluation of internal financial control and risk management system; reviewing with the management annual financial statements and Auditors report thereon; quarterly financial statements and other matters as covered under role of Audit Committee in Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee has powers, inter-alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company / Company's subsidiaries as well as seek outside legal and professional advice.

The Audit committee reviews all the information that is required to be mandatorily reviewed by it under the corporate governance.

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

The Audit Committee consists of three Independent Non-Executive Directors.

They have vast experience and knowledge of corporate affairs and financial management and possess strong accounting and financial management expertise.

The Audit Committee comprises of Shri Arvind Chirania, Shri Virjanand Gupta and Shri Vinit Kedia. Shri Arvind Chirania is Chairman of the Committee.

#### c) Audit Committee meetings and the attendance during the financial year 2015-16 :

The Audit Committee met four (4) times during the year and gap between two meetings did not exceed four months. The dates on which the Audit Committee Meetings were held are as follows:

28th May, 2015, 12th August, 2015, 09th November, 2015 and 12th February, 2016.

The details of Meetings attended by the Directors during the year 2015-16 are given below:

Name of Director	No. of meetings held	No. of meetings attended
Shri Arvind Chirania	4	4
Shri Virjanand Gupta	4	4
Shri Vinit Kedia	4	4

The previous annual general meeting of the Company was held on 23rd September, 2015 and was attended by Shri Arvind Chirania, Chairman of the Audit committee.

The Meetings of the Audit Committee are also attended by the Chairman and Executive Director, Managing Director, Chief Financial Officer, the Statutory Auditors and the Internal Auditors. The company secretary acts as secretary to the committee.

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### V. NOMINATION AND REMUNERATION COMMITTEE

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

- i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iii. devising a policy on diversity of board of directors;
- iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal; and
- v. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

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

The Company has a Nomination and Remuneration Committee of the Board which currently comprises of Shri Arvind Chirania (Chairman of the Committee), Shri Virjanand Gupta and Shri Vinit Kedia, all independent directors to function in the manner and to deal with the matters specified in the Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also to review the overall compensation structure and policies of the Company to attract, motivate and retain employees.

The Nomination and Remuneration Committee has adopted the following policies which are displayed on the website of the Company :

- i. Formulation of the criteria relating to the remuneration of the directors, key managerial personnel and other employees  
(weblink [http:// www.shreeharichemicals.in /corporate policies/Remuneration Policy.aspx](http://www.shreeharichemicals.in/corporate_policies/Remuneration_Policy.aspx));
- ii. Devising a policy on Board diversity  
(weblink [http://www.shreeharichemicals.in corporate policies/Policy on Board Diversity of the Company.aspx](http://www.shreeharichemicals.in/corporate_policies/Policy_on_Board_Diversity_of_the_Company.aspx));
- iii. Identifying persons who are qualified to become directors and persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal  
  
(weblink [http://www.shreeharichemicals.in/corporate policies/Criteria for selection of Candidates for Senior Management and Members on the Board.aspx](http://www.shreeharichemicals.in/corporate_policies/Criteria_for_selection_of_Candidates_for_Senior_Management_and_Members_on_the_Board.aspx)).

#### c) Meeting and attendance during the financial year 2015-16 :

The Committee met once (1) on 28th May, 2015, during the Financial Year 2015-16.

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The attendance of each member of the Nomination and Remuneration Committee in the committee meetings is given below :

Name of Director	No. of meetings held	No. of meetings attended
Shri Arvind Chirania	1	1
Shri Vinit Kedia	1	1
Shri Virjanand Gupta	1	1

**d) Performance evaluation criteria for independent directors :**

Performance criteria for evaluation of Independent Directors and the Board is displayed on the Company's weblink [http://www.shreeharichemicals.in/corporate/policy/Evaluation of Directors.aspx](http://www.shreeharichemicals.in/corporate/policy/Evaluation%20of%20Directors.aspx)

**e) Details of Remuneration and sitting fees paid to Directors during the year :**

(in ₹ )

Name of Director	Salary	Perquisites	Commission	Others	Sitting fees	Total
Shri Kishori Lal Ramuka	82,80,000	-	-	-	-	82,80,000
Shri Bankesh Chandra Agrawal	82,80,000	-	-	-	-	82,80,000
Shri Hanuman Prasad Ramuka	27,00,000	-	-	8,78,400	-	35,78,400
Shri Virjanand Gupta	-	-	-	-	20,000	20,000
Shri Arvind Chirania	-	-	-	-	20,000	20,000
Shri Vinit Kedia	-	-	-	-	20,000	20,000
Smt. Ekta Sultania	-	-	-	-	12,000	12,000

- Details of fixed component and performance linked incentives, along with the performance criteria are given in the table above.
- Services of the Chairman and Executive Director, Managing Director and Whole time Director may be terminated by either party, giving the other party three months' notice or the Company paying three months' salary in lieu thereof. There is no separate provision for payment of severance fees.
- The Company has not issued any stock options or other convertible instruments.
- During the financial year under report, the non-executive Directors had no pecuniary relationship or transactions with the Company.

## VI. STAKEHOLDERS RELATIONSHIP COMMITTEE

This Committee functions under the Chairmanship of Shri Arvind Chirania, the non-executive independent Director. Shri Virjanand Gupta and Shri Vinit Kedia are the other members of this committee. This Committee shall consider and resolve the grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.



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There were 4 (Four) meetings of this committee during the financial year 2015-16. The dates on which the said meetings were held are as follows:

28th May, 2015, 12th August, 2015, 09th November, 2015 and 12th February, 2016.

The attendance of each member of the Stakeholders Relationship Committee in the committee meetings is given below:

Name of Director	No. of meetings held	No. of meetings attended
Shri Arvind Chirania	4	4
Shri Vinit Kedia	4	4
Shri Virjanand Gupta	4	4

Shri Sanjay Kedia, Chief Financial Officer of the Company has been appointed as Compliance Officer of the Company.

The total number of complaints received were 2(two) and replied to the satisfaction of shareholders during the year under review was 1 (one). Outstanding complaints as on 31st March, 2016 was 1(one).

### VII. OTHER COMMITTEES

#### a) SHARE TRANSFER COMMITTEE

This Committee functions under the Chairmanship of Shri Arvind Chirania, the non-executive independent Director. Shri Virjanand Gupta and Shri Vinit Kedia are the other members of this committee.

The Share Transfer Committee was constituted specifically to look into transfer, issue of duplicate share certificate, sub-division and consolidation of share certificates and to ensure expeditious share transfer process.

The Share Transfer Committee of the Board of Directors met three (23) times during the year on 01.04.2015, 08.04.2015, 30.04.2015, 20.05.2015, 27.05.2015, 03.06.2015, 10.06.2015, 23.06.2015, 08.07.2015, 05.08.2015, 13.08.2015, 31.08.2015, 30.09.2015, 30.10.2015, 05.11.2015, 18.11.2015, 31.12.2015, 14.01.2016, 27.01.2016, 15.02.2016, 18.02.2016, 15.03.2016 and 31.03.2016

The composition of the Share Transfer Committee and the details of the Meetings attended by the members during the year are given below:

Name of Director	No. of meetings held	No. of meetings attended
Shri Arvind Chirania	23	23
Shri Vinit Kedia	23	23
Shri Virjanand Gupta	23	23

#### b) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

In compliance with the provision of Section 135 of the Companies Act, 2013, the Company has in place a Corporate Social Responsibility Committee (CSR Committee) which was constituted on May 29, 2014.

## SHREE HARI CHEMICALS EXPORT LTD.

As per Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising of Shri Arvind Chirania, the non-executive independent Director. Shri Virjanand Gupta and Shri Vinit Kedia are the other members of this committee.

The CSR Committee of the Board will be responsible for :

- i) Formulating and recommending to the Board a Corporate Social Responsibility Policy which shall indicate the CSR activities to be undertaken by the Company;
- ii) Recommending the amount of expenditure to be incurred on the CSR activities; and
- iii) Monitoring the CSR Policy of the Company from time to time.

The CSR Committee met once on May 28, 2015 during the financial year 2015-16.

The attendance of each member of the Corporate Social Responsibility Committee in the committee meetings is given below :

Name of Director	No. of meetings held	No. of meetings attended
Shri Arvind Chirania	1	1
Shri Vinit Kedia	1	1
Shri Virjanand Gupta	1	1

### VIII. SUBSIDIARY COMPANY

The company has no subsidiary company.

### IX. GENERAL BODY MEETINGS

#### Details of the location and time of the last three Annual General Meetings:

Year	Venue	Day, Date	Time	Special Resolutions Passed
2012-2013	A/8, M.I.D.C. Industrial Area, Mahad, Dist. Raigad (Maharashtra)	Saturday 28.09.2013	01.00 p.m.	<ul style="list-style-type: none"><li>• Remuneration to Shri Bankesh Chandra Agrawal, Managing Director.</li><li>• Appointment and remuneration of Shri Hanuman Prasad Ramuka as Whole Time Director.</li></ul>
2013-2014	A/8, M.I.D.C. Industrial Area, Mahad, Dist. Raigad (Maharashtra)	Friday 05.09.2014	01.00 p.m.	<ul style="list-style-type: none"><li>• Consent under Section 180(1)(c) of the Companies Act, 2013, to the Board of Directors of the Company for borrowing from time to time upto Rs. 100 crores.</li><li>• Consent under Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company to mortgage and/ or charge and/ or hypothecate</li><li>• Payment of remuneration to Shri Anup Ramuka relative of directors of the company.</li></ul>

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Year	Venue	Day, Date	Time	Special Resolutions Passed
				<ul style="list-style-type: none"> <li>• Payment of remuneration to Shri Amit Ramuka relative of directors of the company.</li> <li>• Payment of remuneration to Shri Sarthak Agarwal relative of directors of the company.</li> <li>• Revision/s in the remuneration payable to Shri Kishori Lal Ramuka, Chairman and Executive Director, of the company for the residual period of his tenure from 1st October, 2013 to 30th September, 2014.</li> <li>• Revision/s in the remuneration payable to Shri Bankesh Chandra Agrawal, Managing Director , of the company for the residual period of his tenure from 1st October, 2013 to 28th February, 2015.</li> <li>• Revision/s in the remuneration payable to Shri Hanuman Prasad Ramuka, Whole time Director, of the company for a period of three years from 1st October, 2013 to 30th September,2016.</li> <li>• Re-appointment of Shri Kishori Lal Ramuka as Chairman &amp; Executive Director of the Company for a period of three years with effect from October 1, 2014.</li> </ul>
2014-2015	A/8, M.I.D.C. Industrial Area, Mahad, Dist. Raigad (Maharashtra)	Wednesday 23.09.2015	11.30 a.m.	<ul style="list-style-type: none"> <li>• Re-appointment and remuneration to Shri Bankesh Chandra Agrawal, Managing Director.</li> <li>• Payment of Commission to Shri Kishori Lal Ramuka, Chairman &amp; Executive Director of the Company.</li> <li>• Payment of Commission to Shri Bankesh Chandra Agrawal, Managing Director of the Company.</li> </ul>

No postal ballots were used for voting in last year. At the ensuing Annual General Meeting, there is no item on the agenda that needs approval by postal ballot.

## SHREE HARI CHEMICALS EXPORT LTD.

### X. OTHER DISCLOSURES

**a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large**

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company (Weblink [http:// www.shreeharichemicals.in/corporate policies /Related Party Transactions.aspx](http://www.shreeharichemicals.in/corporate_policies/Related_Party_Transactions.aspx)). There were no materially significant related party transactions during the year that may have potential conflict with the interest of the Company.

Disclosures from directors and senior management staff have been obtained to the effect that they have not entered into any material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the Company at large.

Transactions with the related parties are disclosed in the notes to the accounts forming part of this Annual Report.

**b) Details of non-compliance by the Company, penalties, structures imposed on the Company by Stock Exchange(s) or the board or any other statutory authorities on any matter related to capital market during the last 3 financial years : None**

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

There is a Whistle Blower Policy in the Company and that no personnel has been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blowing Policy is posted on the website of the Company (weblink [http:// www.shreeharichemicals.in /corporate policies / Whistleblower.aspx](http://www.shreeharichemicals.in/corporate_policies/Whistleblower.aspx)).

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

The Company has complied with all the mandatory requirements of corporate governance under erstwhile clause 49 of the listing agreement (as amended from time to time) and also under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**e) The Company does not have any subsidiaries; hence the policy for material subsidiaries is not applicable to the company.**

**f) Web link where policy on dealing with related party transactions is disclosed**

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company (Weblink [http:// www.shreeharichemicals.in/corporate policies /Related Party Transactions.aspx](http://www.shreeharichemicals.in/corporate_policies/Related_Party_Transactions.aspx))

**g) The CEO/CFO compliance certification under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 forms part of this Annual Report.**

**h) 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 have been made in this corporate governance report.**

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### XI. MEANS OF COMMUNICATION

The quarterly, half-yearly and annual results are regularly submitted to the Stock Exchange in accordance with the Listing Regulations and are published in newspapers like, Free Press Journal and Business Standard (English) and Navshakti and Mumbai Lakshadweep (Marathi). These are not sent individually to the shareholders.

The quarterly and annual financial results, shareholding patterns etc are displayed and available on Company's website: [www.shreeharichemicals.in](http://www.shreeharichemicals.in).

There were no presentations made to the institutional investors or analysts.

### XII. GENERAL SHAREHOLDER INFORMATION

- 1 Annual General Meeting** :
  - **Date and Time** : Wednesday, September 14, 2016 at 11.30 a.m.
  - **Venue** : A/8, M.I.D.C. Industrial Area, Mahad,  
Dist. Raigad (Maharashtra)
- 2 Financial Year** : 1st April 2015 to 31st March 2016
- 3 Date of Book Closure** : Wednesday, September 07, 2016  
to Wednesday, September 14, 2016 (both days inclusive)
- 4 Dividend Payment Date** : The final Dividend, if declared, shall be  
paid/credited on or after September 14, 2016.
- 5 Listing on Stock Exchange** : BSE Limited
- 6 (a) Stock Code – Physical** : 524336 at BSE  
**(b) ISIN Number in NSDL** : ISIN No. INE065E01017 and CDSL
- 7 Market Price Data :**

Table below gives the monthly highs and lows of the Company's shares on the BSE Limited (BSE).

<b>High and Low prices of the Company's shares on BSE with corresponding BSE Sensex April 2015 to March 2016</b>				
<b>Months</b>	<b>High</b>		<b>Low</b>	
		<b>BSE Sensex</b>		<b>BSE Sensex</b>
April 2015	147.30	29,094.61	103.10	26,897.54
May 2015	161.90	28,071.16	115.00	26,423.99
June 2015	141.40	27,968.75	66.00	26,307.07
July 2015	120.50	28,578.33	83.00	27,416.39
August 2015	115.80	28,417.59	84.50	25,298.42
September 2015	99.50	26,471.82	85.00	24,833.54
October 2015	121.00	27,618.14	93.00	26,168.71
November 2015	107.70	26,824.30	76.20	25,451.42
December 2015	122.00	26,256.42	85.50	24,867.73
January 2016	118.50	26,197.27	83.00	23,839.76
February 2016	99.00	25,002.32	58.35	22,494.61
March 2016	94.50	25,479.62	55.00	23,133.18

## SHREE HARI CHEMICALS EXPORT LTD.

**8. Registrar & Transfer Agents:** Universal Capital Securities Private Limited,  
21, Shakil Niwas, Mahakali Caves Road,  
Andheri (East), Mumbai - 400093

**9. Share Transfer System:**

All share transfers subject to correctness and completion of all documents would normally be registered and returned within fifteen days from the date of receipt.

**10. Distribution of shareholding as on 31st March, 2016 :**

Sr. No.	Range	No. of shareholders	% to total holders	No. of Shares held	% of Capital
1	1 to 500	6450	91.025	1047193	23.551
2	501 to 1,000	365	5.151	298539	6.714
3	1,001 to 2,000	117	1.651	169121	3.804
4	2,001 to 3,000	41	0.579	106298	2.391
5	3,001 to 4,000	24	0.339	85498	1.923
6	4,001 to 5,000	12	0.169	56100	1.262
7	5,001 to 10,000	30	0.423	209090	4.703
8	10,001 & above	47	0.663	2474461	55.652
	Total	7086	100.000	4446300	100.000

**11. Categories of Shareholders as on 31st March, 2016 :**

Category	No. of shares held	% to total share capital
Promoters and persons acting in concert	2142334	48.18
Foreign holding (FIIs, OCBs and NRIs)	102999	2.31
Corporate Bodies	138245	3.10
Public	2029620	45.67
Clearing members	33102	0.74
<b>Total</b>	<b>4446300</b>	<b>100.00</b>

**12. Dematerialization of shares and Liquidity**

As on 31st March, 2016, 84.49% of the paid up share capital has been dematerialized. The shares of the Company are frequently traded.

**13. The Company has not issued any GDRs /ADRs/Warrants or any convertible instruments.**

**14. Commodity price risk or foreign exchange risk and hedging activities;**

The Company is not materially exposed to commodity price risk. The Company also does not carry out any commodity hedging activities.

**15. Plant Locations**

The Company's plant is located at A/8, M.I.D.C. Industrial Area, Mahad, Dist. Raigad (Maharashtra).

## 29th ANNUAL REPORT (2015-2016)

### 16. Address for Correspondence

<b>Registrar and Share Transfer Agents :</b>	<b>Compliance Officer</b>
Universal Capital Securities Private Limited  Unit : Shree Hari Chemicals Export Limited 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai 400 093  Tel. :28257641/28366620 Fax : 28207207	Shri Sanjay Kedia  A/8, M.I.D.C. Industrial Area, Mahad, Dist. Raigad (Maharashtra)  Tel. : 28787081/2/3 Fax : 28725033  e-mail: shreeharichem@gmail.com

Details of equity shares held in suspense account as per Regulation 34 (3) and Schedule V Part F of SEBI Listing Regulations - There are no shares held in Suspense Account.

### CEO CERTIFICATION

To,  
The Members of  
Shree Hari Chemicals Export Limited

It is hereby certified and confirmed in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2016.

**For SHREE HARI CHEMICALS EXPORT LIMITED**

**Date: 1st August, 2016**

**Anup Ramuka**  
**Managing Director**  
**DIN: 00755748**

## **SHREE HARI CHEMICALS EXPORT LTD.**

To  
The Members of  
Shree Hari Chemicals Export Limited

We have examined the compliance of the conditions of Corporate Governance by Shree Hari Chemicals Export Limited (the Company) for the year ended on March 31, 2016, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges ("Listing Agreement") for the period April 1, 2015 to November 30, 2015 and Regulations 17 to 27 clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period December 1, 2015 to March 31, 2016.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement and the Listing Regulations applicable for the respective periods as mentioned above.

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

**For Kailash Chand Jain & Co.  
Chartered Accountants  
FRN: 112318W**

**Kiran Awasthi  
Partner  
Membership No. 100615**

**Date: 30.05.2016  
Place: Mumbai.**



## 29th ANNUAL REPORT (2015-2016)

### INDEPENDENT AUDITORS' REPORT

**To the Members of Shree Hari Chemicals Export Ltd.**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Shree Hari Chemicals Exports Ltd. (the "Company"), which comprise of the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## SHREE HARI CHEMICALS EXPORT LTD.

### Opinion

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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on other Legal and Regulatory Requirements

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 Companies Act, 2013, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure- I, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

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 appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d) On the Basis of written representations received from the Board of Directors as on March 31 , 2016 and taken on record by the Board of Directors , none of the directors is disqualified as on March 31,2016, from being appointed as a Directors in terms of sub-section (2) of section 164 of the Act;
- e) With respect to the other matters to be included in the Auditor's Report and to our best of our information and according to the explanations given to us :
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred , to the Investor Education and Protection Fund by the Company.

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**  
**FRN: 112318W**

**Date: 30/05/2016**  
**Place: Mumbai.**

**Kiran Awasthi**  
**Partner**  
**M. No. 100615**

## 29th ANNUAL REPORT (2015-2016)

### Annexure-I to the Independent Auditors' Report

**The Annexure referred to in Para -1 of our Report on "other Legal and Regulatory Requirements" to the members of the Company on the Standalone financial statement for the year ended on 31st March, 2016, we report that :**

We report that :

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets;
- (b) As informed to us the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification. Which in our opinion is reasonable having regards to size of the Company and nature of its assets.
- (c) The title deeds of Immovable properties of are held in the name of the Shree Hari Chemicals Export Limited.
- (ii) As informed to us Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification. Which in our opinion is reasonable having regards to size of the Company and nature of its assets.
- (iii) In respect of loans, the Company has not granted any secured or unsecured loan to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the clause 3(iii) (a), 3(iii) (b) and 3(iii) (c) of the Order are not applicable to the Company.
- (iv) As information provided to us, there are no instances of loans, investments, guarantees, and security covered under Sec 185 and 186 of the Companies Act, 2013 that have not been complied with.
- (v) The Company has not accepted any deposits, hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable to the Company.
- (vi) Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act 2013, to the company hence same is not applicable to the Company.
- (vii) (a) According to the information and explanation given to us and records as produced and examined by us, in our opinion, the Company is regular in depositing undisputed applicable statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanations given to us, the details of statutory dues of income tax, sales tax ,service tax or custom duty, excise duty or value added tax, which have not been deposited on account of appeal are given as under.

Name of the Statue	Nature of Dues	Amount (Rs.)	Period to which it pertains	Forum in which Dispute is Pending
The Central Sales Tax Act, 1956	Sales Tax	514,79,934/-	2006-07	Dy. Commissioner of Sales Tax
The Central Sales Tax Act, 1956	Sales Tax	175,57,419/-	2009-10	Dy. Commissioner of Sales Tax

## SHREE HARI CHEMICALS EXPORT LTD.

- (viii) According to the records of The Company examined by us and the information and explanation provided to us, the Company has not defaulted in repayment of loans o borrowing to a financial institution, Bank, Government or dues to debenture holders as at the balance sheet date.
- (ix) The Company has not raised any initial public offer or further public offer (including debt instruments) and according to the information and explanations given to us no term loans has been obtained hence the question of applying them for the purposes for which those were raised does not apply.
- (x) According to information and explanations given to us there were no frauds on the Company by its officers or employees noticed or reported by the management for the year under review.
- (xi) The Company has paid or provided any managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act.
- (xii) According to the information and explanations given to us the Company is not a Nidhi Company hence clause 3(xii) of the order is not applicable.
- (xiii) According to the explanations and information given to us, all the transactions of the related parties at the Company, for the year under review are in compliance with Section 177 and 188 of the Companies Act, 2013 and the details of the same have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year under review hence clause 3(xiv) of the order is not applicable.
- (xv) According to the information and explanation given to us the Company has not entered into any non cash transaction with directors or persons connected with him as per provisions of Section 192 of the Companies Act, 2013.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence clause 3(xvi) of the order is not applicable.

**FOR KAILASH CHAND JAIN & CO.  
CHARTERED ACCOUNTANTS  
FRN: 112318W**

**Date : 30/05/2016  
Place : Mumbai.**

**Kiran Awasthi  
PARTNER  
Membership No. 100615**

## 29th ANNUAL REPORT (2015-2016)

### BALANCE SHEET AS AT 31ST MARCH-2016

Particulars	NOTE NO.	As at 31st March, 2016 (in ₹)	As at 31st March, 2015 (in ₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	44,463,000	44,463,000
(b) Reserves and Surplus	2	<u>477,394,903</u>	<u>471,498,658</u>
		521,857,903	515,961,658
<b>(2) Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)		<u>13,009,073</u>	<u>18,044,151</u>
		13,009,073	18,044,151
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	3	3,430,188	-
(b) Trade Payables	4	179,790,286	123,987,881
(c) Other Current Liabilities	5	61,567,614	75,350,709
(d) Short-Term Provisions	6	<u>195,851,478</u>	<u>200,638,617</u>
		440,639,566	399,977,207
<b>TOTAL</b>		<b><u><u>975,506,543</u></u></b>	<b><u><u>933,983,015</u></u></b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	7	133,592,315	145,972,872
(ii) Capital work-in-progress	7	<u>14,344,189</u>	-
		147,936,504	145,972,872
(b) Non-Current Investments	8	3,292,640	3,292,640
(c) Long-Term Loans and Advances	9	<u>11,221,043</u>	<u>9,407,938</u>
		14,513,683	12,700,578
<b>(2) Current Assets</b>			
(a) Inventories	10	119,340,327	174,932,742
(b) Trade Receivables	11	134,104,118	134,106,807
(c) Cash and Cash Equivalents	12	307,425,915	272,779,258
(d) Short-Term Loans and Advances	13	238,732,755	181,082,858
(e) Other Current Assets	14	<u>13,453,241</u>	<u>12,407,901</u>
		813,056,356	775,309,566
<b>TOTAL</b>		<b><u><u>975,506,543</u></u></b>	<b><u><u>933,983,015</u></u></b>

Notes forming part of the Financial Statements 23

**As per our report of even date attached**  
**For KAILASH CHAND JAIN & CO.**  
**Chartered Accountants**  
**FIRM REG. NO. 112318W**

**Kiran Awasthi**  
**Partner**  
**M.N. 100615**

**Place: Mumbai**  
**Date: 30/05/2016**

**For and on behalf of the Board**

**K. L. RAMUKA**  
 Chairman & Executive Director  
 [DIN : 00040695]

**S. K. KEDIA**  
 Chief Financial Officer

**B. C. AGRAWAL**  
 Managing Director  
 [DIN : 00121080]

## SHREE HARI CHEMICALS EXPORT LTD.

### PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31st March, 2016

Particulars	NOTE NO.	As at 31st March, 2016 (in ₹)	As at 31st March, 2015 (in ₹)
I Revenue from Operations	15	1,009,642,920	1,309,968,636
II. Other Incomes	16	27,026,741	25,125,947
III. Total Revenue (I + II)		<b>1,036,669,661</b>	<b>1,335,094,583</b>
IV. Expenses:			
Manufacturing Expenses			
Cost of Materials Consumed	17	564,372,807	515,401,124
Purchase of Stock-in-Trade	18	-	6,207,353
Changes in Inventory of Finished goods (Mfg.)	19	45,108,400	(90,804,001)
Other Manufacturing Expenses	17	283,817,970	256,930,511
		893,299,177	687,734,987
Administrative & Selling Expenses			
Employee Benefit Expenses	20	38,584,810	58,370,216
Other Administrative and Selling Expenses	21	63,532,704	68,614,977
		102,117,514	126,985,193
Finance Costs	22	1,047,081	1,557,156
Depreciation and Amortization Expense	7	30,793,243	33,242,661
		31,840,324	34,799,817
Total Expenses		<b>1,027,257,015</b>	<b>849,519,998</b>
V. Profit before Exceptional and Extraordinary Items and Tax (III - IV)		9,412,646	485,574,586
VI. Exceptional Items/ Extraordinary Items		-	-
VII. Profit before Extraordinary Items and Tax (V - VI)		9,412,646	485,574,586
VIII. Extra Ordinary Items		-	-
IX. Profit before Tax (VII - VIII)		9,412,646	485,574,586
X. Tax Expense:			
(1) Current Tax		3,200,000	157,500,000
(2) Deferred Tax Liability/ (Assets)		(5,035,077)	7,334,539
(3) Short/excess provision of Income Tax		-	56,670
XI. Profit/ (Loss) for the period from Continuing Operations (IX - X)		11,247,723	320,683,377
XII. Profit/ (Loss) for the Period (XI + XIV)		<b>11,247,723</b>	<b>320,683,377</b>
XIII. Earnings Per Equity Share			
(1) Basic		2.53	72.12
(2) Diluted		2.53	72.12

Notes forming part of the Financial Statements 23

**As per our report of even date attached  
For KAILASH CHAND JAIN & CO. For and on behalf of the Board  
Chartered Accountants**

**FIRM REG. NO. 112318W**

**Kiran Awasthi  
Partner  
M.N. 100615**

**Place: Mumbai  
Date: 30/05/2016**

**K. L. RAMUKA**  
Chairman & Executive Director  
[DIN : 00040695]

**S. K. KEDIA**  
Chief Financial Officer

**B. C. AGRAWAL**  
Managing Director  
[DIN : 00121080]

## 29th ANNUAL REPORT (2015-2016)

### CASH FLOW STATEMENT FOR THE FINANCIAL YEAR 2015-16

Particulars	2015-2016 ₹	2014-2015 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit after Tax and before Extra ordinary Items :</b>	11,247,723	320,683,377
<b>Adjustment for :</b>		
Tax Expense	(1,835,077)	164,891,209
Depreciation ( Net )	30,793,243	33,242,661
WDV of Discarded Asset	-	1,927,725
Sundry Bad Debts Written Back	-	(966,078)
Insurance Claim Received	(792,983)	-
Interest Received	(23,969,460)	(21,594,090)
Interest Expenses	1,047,081	1,557,156
	<b>16,490,527</b>	<b>499,741,960</b>
<b>Changes in Working Capital :</b>		
Increase / (Decrease) in Cash Credit	3,430,188	-
Increase / (Decrease) in Trade Payable	55,802,405	12,504,088
Current Liabilities & Provisions (except provision for taxation)	(13,783,095)	21,161,451
(Increase) / Decrease in Inventories	55,592,415	(83,912,329)
(Increase) /Decrease in Sundry Receivables	2,689	(9,267,995)
Decrease/ (Increase) in Loans & Advances & Other Current Assets	(19,619,624)	(16,839,942)
<b>Cash flow from operating activities before extraordinary items</b>	<b>97,915,505</b>	<b>423,387,233</b>
Taxes Paid (Net)	<b>39,075,613</b>	<b>154,569,034</b>
Cash flow before extraordinary Items	<b>58,839,892</b>	<b>268,818,199</b>
Extraordinary Items :		
Insurance Claim Received	792,983	-
<b>Cash flow after extraordinary Items</b>	<b>59,632,875</b>	<b>268,818,199</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale / (Purchase of Fixed Assets)	(32,756,875)	(71,925,334)
Interest Received	23,969,460	21,594,040
Dividend Received	-	-
Long Term Loan & Advances	(1,813,105)	-
Cash Generated from Investment Activities	<b>(10,600,520)</b>	<b>(50,331,294)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Term Loan Paid	-	-
Interest Expenses	(1,047,081)	(1,557,156)
Dividend Paid	(13,338,617)	(5,201,949)
Share Capital	-	-
Share Application Money	-	-
Share Forfeited A/c.	-	-
Cash Outflow from Financial Activities	(14,385,698)	(6,759,105)
Net Increase in Cash & Cash Equivalents	34,646,657	211,727,850
Opening Balance of Cash & Cash Equivalents	272,779,259	61,051,409
Closing Balance of Cash & Cash Equivalents	<b>307,425,915</b>	<b>272,779,259</b>

As per our report of even date attached  
For **KAILASH CHAND JAIN & CO.**  
Chartered Accountants  
FRN 112318W

**Kiran Awasthi**  
Partner  
M.N. 100615

Place: Mumbai  
Date: 30/05/2016

For and on behalf of the Board

**K. L. RAMUKA**  
Chairman & Executive Director

**B. C. AGRAWAL**  
Managing Director

**S. K. KEDIA**  
Chief Financial Officer

## SHREE HARI CHEMICALS EXPORT LTD.

### NOTES FORMING PART OF ACCOUNTS

PARTICULARS	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Note - 1</b>		
<b>SHARE CAPITAL</b>		
<b>- Authorised</b>		
10,000,000 Equity Shares of Rs. 10/- each with voting rights [Previous Year : 10,000,000 Equity Shares of Rs.10/- each]	100,000,000	100,000,000
<b>- Issued, Subscribed and fully Paid up</b>		
4,446,300 Equity Shares of Rs.10/- each fully paid-up. with voting rights [Previous Year : 4,446,300 Equity Shares of Rs.10/- each] (Refer Note No.II.1. i., ii. & iii. of scheduled 23)	44,463,000	44,463,000
<b>Total</b>	<b><u>44,463,000</u></b>	<b><u>44,463,000</u></b>
<b>Note - 2</b>		
<b>Reserve &amp; Surplus</b>		
<b>General Reserve</b>		
Opening Balance	23,793,472	7,793,472
Add: Additions during the Year	-	16,000,000
Closing Balance	<b><u>23,793,472</u></b>	<b><u>23,793,472</u></b>
<b>Share Forefiture</b>		
Opening Balance	4,708,500	4,708,500
Add: Additions during the Year	-	-
Closing Balance	<b><u>4,708,500</u></b>	<b><u>4,708,500</u></b>
<b>Profit and Loss Account</b>		
Opening Balance	442,996,686	151,651,926
Add: Profit During The Year	11,247,723	320,683,377
Less: Proposed Dividend (Dividend proposed on 4,446,300 Equity Shares @ Rs.1/-each)	4,446,300	11,115,750
Less: Dividend Distirbution Tax (DDT)	905,178	2,222,867
Less: Transferred to General Reserve	-	16,000,000
Closing Balance	<b><u>448,892,931</u></b>	<b><u>442,996,686</u></b>
Closing Balance	<b><u>477,394,903</u></b>	<b><u>471,498,658</u></b>



## 29th ANNUAL REPORT (2015-2016)

### NOTES FORMING PART OF ACCOUNTS

PARTICULARS	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Note - 3</b>		
<b>Short-Term Borrowings</b>		
Secured		
Loans Repayable On Demand from banks :		
Working Capital Loans From State Bank Of India (Refer Note No. II.2.a. of scheduled 23)	3,430,188	-
<b>Total</b>	<b><u>3,430,188</u></b>	<b><u>-</u></b>
<b>Note - 4</b>		
<b>Trade Payables</b>		
For Goods	179,790,286	123,987,881
<b>Total</b>	<b><u>179,790,286</u></b>	<b><u>123,987,881</u></b>
<b>Note - 5</b>		
<b>Other Current Liabilities</b>		
Current Maturities of Long-Term Debt	-	-
Advance From Customer	448,585	68,295
For Expenses	53,892,055	69,656,969
Statutory Dues	4,225,660	3,705,553
Unpaid Dividend	3,001,314	1,919,892
<b>Total</b>	<b><u>61,567,614</u></b>	<b><u>75,350,709</u></b>
<b>Note - 6</b>		
<b>Other Provisions:</b>		
Short Term Provisions	190,500,000	187,300,000
Dividend Payable	4,446,300	11,115,750
Tax on Dividend Payable	905,178	2,222,867
<b>Total</b>	<b><u>195,851,478</u></b>	<b><u>200,638,617</u></b>

## SHREE HARI CHEMICALS EXPORT LTD.

### Depreciation as per Companies Act as on 31ST MARCH, 2016

Note - 7 (In ₹)

Particulars	Gross Block			Depreciation			Net Block				
	Opening Balance as on 01.04.2015	Addition	Closing Balance as on 31.03.2016	Other Adjustments Disposal	Opening Balance as on 01.04.2015	For the year	Deletions/ Transfers	Closing Balance as on 31.03.2016	NET WDV WRITTEN OFF	Closing Balance as on 31.03.2015	Closing Balance as on 31.03.2016
<b>I. Tangible Assets:</b>											
<b>I.1 Leashold Assets</b>											
(a) Leasehold Land	2,587,822	179,700	2,767,522	-	275,497	37,089	-	312,586	-	2,312,325	2,454,936
<b>1.2 Owned Assets</b>											
(a) Buildings	51,596,790	-	51,596,790	-	23,350,017	2,664,663	-	26,014,680	-	28,246,773	25,582,110
(b) Plant and Equipment	272,794,850	14,270,256	287,065,106	-	179,463,511	21,209,036	-	200,672,548	-	93,331,337	86,392,558
(c) Furniture and Fixtures	3,483,782	-	3,483,782	-	2,553,251	243,743	-	2,796,994	-	930,531	686,788
(d) Office Equipment	2,957,987	237,299	3,195,286	-	1,602,296	514,930	-	2,117,226	-	1,355,691	1,078,060
(e) Computer	619,572	38,714	658,286	-	370,768	171,577	-	542,344	-	248,804	115,942
(f) Roads	2,506,094	-	2,506,094	-	1,913,901	174,273	-	2,088,175	-	592,193	417,919
(g) Electrical Installation	6,858,319	2,396,154	9,254,473	-	4,626,929	976,063	-	5,602,991	-	2,231,391	3,651,481
(h) Office Premises	6,410,508	-	6,410,508	-	2,617,623	422,799	-	3,040,422	-	3,792,885	3,370,086
(i) Motor Car	13,115,795	1,290,563	14,406,358	-	184,854	4,379,070	-	4,563,924	-	12,930,941	9,842,434
<b>Total</b>	<b>362,931,518</b>	<b>18,412,686</b>	<b>381,344,204</b>	<b>-</b>	<b>216,958,647</b>	<b>30,793,243</b>	<b>-</b>	<b>247,751,890</b>	<b>-</b>	<b>145,972,872</b>	<b>133,592,315</b>
Work in Progress	-	14,344,189	14,344,189	-	-	-	-	-	-	-	-
<b>Previous year</b>	<b>307,880,861</b>	<b>84,473,013</b>	<b>362,931,517</b>	<b>29,422,357</b>	<b>211,210,617</b>	<b>33,242,661</b>	<b>27,494,631</b>	<b>216,958,647</b>	<b>1,927,725</b>	<b>96,670,245</b>	<b>145,972,872</b>

## 29th ANNUAL REPORT (2015-2016)

### NOTES FORMING PART OF ACCOUNTS

PARTICULARS	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Note - 8</b>		
<b>Non-Current Investments</b>		
Investment at Cost		
Investments (Quoted)		
Investments in Equity shares of -		
300 shares of SIMCO Industries Ltd. at Rs.20/- Each	6,000	6,000
1,000 shares of Siddhartha Tubes Ltd. at Rs.25/- Each	25,450	25,450
300 shares of Bhageria Dye Chem Ltd. at Rs.16/- Each	4,800	4,800
	36,250	36,250
Investments (Unquoted)		
Ramuka Capital Market Ltd.	300,000	300,000
CETP Co-Op. Society Ltd.	2,956,390	2,956,390
	3,256,390	3,256,390
<b>Total</b>	<b>3,292,640</b>	<b>3,292,640</b>
Aggregate amount of quoted investments (At cost)	36,250	36,250
Aggregate market value of listed and quoted investments as on 31st March,2016	51,520	9,755
Aggregate amount of unquoted investments	<b>3,256,390</b>	<b>3,256,390</b>
<b>Note - 9</b>		
<b>Long-Term Loans and Advances</b>		
Unsecured Considered Good:		
Capital Advances	4,332,763	4,773,658
Security Deposite with Govt. and Other	6,888,280	4,634,280
<b>Total</b>	<b>11,221,043</b>	<b>9,407,938</b>
<b>Note - 10</b>		
<b>Inventories</b>		
Raw Materials	19,579,702	26,711,813
Goods In Transit	-	3,383,289
Work-in-Progress	10,064,134	25,095,083
Finished Goods	81,673,332	113,300,783
Gypsum	1,700,000	150,000
Others	6,323,158	6,291,775
(Refer Note No.I.F of scheduled 23)		
<b>Total</b>	<b>119,340,327</b>	<b>174,932,742</b>

## SHREE HARI CHEMICALS EXPORT LTD.

### NOTES FORMING PART OF ACCOUNTS

PARTICULARS	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Note - 11</b>		
<b>TRADE RECEIVABLE (Unsecured)</b>		
Debts outstanding for a period exceeding six months		
- Considered good	424,630	453,910
- Doubtful	-	-
	424,630	453,910
Other debts		
- Considered good	133,679,488	133,652,897
<b>Total</b>	<b>134,104,118</b>	<b>134,106,807</b>
<b>Note - 12</b>		
Cash and Bank balances		
-Cash and Cash Equivalents		
Cash on Hand	4,075,421	2,452,758
Balance with Banks		
-In Current Accounts	67,330	6,330,891
-In Deposit Accounts	292,839,143	260,178,019
Bank Guarantee Margin (Refer Note No.II.4 of scheduled 23)	7,442,707	1,897,697
In earmarked accounts		
-Unpaid Dividend Account with SBI A/c	3,001,314	1,919,892
<b>Total</b>	<b>307,425,915</b>	<b>272,779,258</b>
<b>Note - 13</b>		
Short-Term Loans and Advances		
Unsecured and Considered good		
Advances recoverable in cash or in kind or for value to be recd		
	4,265,553	3,505,829
Advances to suppliers	246,508	894,854
Advances to employees	3,792,210	873,210
Balances with government authorities	230,428,484	175,808,965
<b>Total</b>	<b>238,732,755</b>	<b>181,082,858</b>
<b>Note - 14</b>		
Other Current Assets		
Prepaid Expenses	1,660,426	1,121,895
Interest accrued on deposits	11,792,815	11,286,006
<b>Total</b>	<b>13,453,241</b>	<b>12,407,901</b>

## 29th ANNUAL REPORT (2015-2016)

### NOTES FORMING PART OF ACCOUNTS

PARTICULARS	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Note - 15</b>		
<b>Revenue From Operations</b>		
Indigenous Sales		
Manufactured Goods	1,006,973,338	1,302,389,069
Traded Goods (Refer Note No.II.6 of scheduled 23)	-	6,310,771
Other Operating Revenues	2,669,582	1,268,796
<b>Total</b>	<b><u>1,009,642,920</u></b>	<b><u>1,309,968,636</u></b>
<b>Note - 16</b>		
<b>Other Incomes</b>		
Interest from Banks	23,967,960	21,593,040
Foreign Exchange Rate Difference	1,848,407	2,119,712
Dividend	1,500	1,050
Cash Discount Received	415,891	446,067
WRITTEN OFF BAD DEBTS W/BACK	-	966,078
INSURANCE CLAIM RECEIVED	792,983	-
<b>Total</b>	<b><u>27,026,741</u></b>	<b><u>25,125,947</u></b>
<b>Note - 17</b>		
Cost of goods sold		
Stock at Commencement	26,711,813	36,722,701
Add : Goods In Transit	3,383,289	
Add : Purchases	554,385,096	509,513,525
	584,480,197	546,236,226
Less: Closing Stock	19,579,702	26,711,813
Less : Goods Transferred as Traded goods stock	527,688	740,000
LESS : GOODS IN TRANSIT (CAUSTIC SODA FLAKES)	-	3,383,289
<b>Material consumed</b>	<b><u>564,372,807</u></b>	<b><u>515,401,124</u></b>
(Refer Note No.II.7 of scheduled 23)		
Labour & Jobworks charges	73,236,213	53,345,887
Power,Fuel and Water charges	120,625,590	102,802,972
Consumables, Stores & Spares	20,467,892	23,145,708
Gypsum Handling Charges	13,166,786	8,647,291
Repairs & Maintenance of machinery	7,673,925	8,802,476
Packing Material	4,314,335	1,846,724
Waste Sludge Desposal Charges	44,126,914	45,801,801
Miscellaneous Expenses	206,315	12,537,652
	283,817,970	256,930,511
<b>Cost of Goods Sold</b>	<b><u>848,190,777</u></b>	<b><u>772,331,635</u></b>

## SHREE HARI CHEMICALS EXPORT LTD.

### NOTES FORMING PART OF ACCOUNTS

PARTICULARS	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Note - 18</b>		
<b>Purchase of Traded Goods</b>		
Purchase of Traded Goods (Refer Note No.II.8 of scheduled 23)	-	6,207,353
<b>Total</b>	<u>-</u>	<u>6,207,353</u>
<b>Note - 19</b>		
<b>Changes in Inventory of Finished goods, Work-in-Progress, and Stock-in-trade. (Of Manufacturing Goods)</b>		
<b>Inventories at the begning of year</b>		
Finished Goods	113,300,783	27,705,107
Finished Goods (CONSIGNMENT STOCK)	-	11,110,000
Work-in-Progress	25,095,083	8,676,758
Gypsum (By Product)	150,000	250,000
	138,545,866	47,741,865
<b>Inventories at the end of year</b>		
Finished Goods	81,673,332	113,300,783
Finished Goods (CONSIGNMENT STOCK)	-	-
Work-in-Progress	10,064,134	25,095,083
Gypsum (By Product)	1,700,000	150,000
	93,437,466	138,545,866
<b>Total</b>	<u>45,108,400</u>	<u>(90,804,001)</u>
<b>Note - 20</b>		
<b>Employee Benefit Expenses</b>		
Salary, bonus and allowances	37,526,282	52,756,003
Workmen & Staff welfare	634,252	470,057
Gratuity	218,000	5,000,000
PF Contribution	206,276	144,156
<b>Total</b>	<u>38,584,810</u>	<u>58,370,216</u>

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### NOTES FORMING PART OF ACCOUNTS

PARTICULARS	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Note - 21</b>		
<b>Other Administrative and Selling Expenses</b>		
Travelling & Conveyance	4,547,206	3,401,650
Communication & Postage Expenses	693,545	729,002
Insurance	2,411,042	2,145,623
Rent, Rates & Taxes	9,373,180	9,273,567
Professional & Legal	2,391,427	2,717,333
Repair & Maintenance		
- Buildings	4,449,338	6,540,482
- Others	3,355,601	1,183,700
Selling and Distribution	29,734,198	32,085,865
Bad Debts	-	1,647,924
Auditors' Remuneration	250,000	250,000
Corporate Social Responsibility	872,807	580,000
Discarded of Fixed Assets	-	1,927,725
Other Expenses	5,454,360	6,132,106
<b>Total</b>	<b>63,532,704</b>	<b>68,614,977</b>
<b>Note - 22</b>		
<b>Finance Cost</b>		
Interest Expense	425,266	579,055
Other Finance cost	621,815	978,101
<b>Total</b>	<b>1,047,081</b>	<b>1,557,156</b>

## SHREE HARI CHEMICALS EXPORT LTD.

### ACCOUNTING POLICIES AND NOTES TO ACCOUNT FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

#### Note – 23

#### (I) SIGNIFICANT ACCOUNTING POLICIES:

##### Company Overview

Shree Hari Chemicals Export Limited (the Company) is a Public Limited Company domiciled in India and is Listed on the Bombay Stock Exchange (BSE). The Company was incorporated in 1987. The company is leading manufacturer of H-Acid. It has its manufacturing facility at Mahad, Raigad District of Maharashtra, India. Through Innovation, dedication & customer satisfaction, company had succeeded in developing customers worldwide.

##### A. Basis of Preparation of Financial Statements :-

The financial statements are prepared under the historical cost convention and comply in all material aspects with the applicable accounting principles in India and Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies [Accounts] Rules, 2014, the provisions of the Companies Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

##### B. Use of Estimates :-

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

##### C. Own Fixed Assets :-

Fixed Assets are stated at historical cost including any attributable cost including taxes & other duties, freight, installation & other direct or allocable expenses and related borrowing cost for bringing the respective assets to its working condition for its intended use, less accumulated depreciation. Subsequent expenditure related to an item of tangible fixed assets are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.

Any expected loss on the assets that have been retired from active use is recognized immediately in the Statement of Profit and Loss.

All the direct costs, expenditure during the project construction period (net of income) are specifically attributable to construction/acquisition of fixed assets and advances against capital expenditure are shown as Capital Work in progress until the relevant assets are ready for its intended use.

##### D. Depreciation :-

Depreciation on Fixed Assets has been provided as per the Written Down Value Method (WDV) of depreciation at the rates and manner prescribed under Schedule II to the Companies Act, 2013 with exception of Effluent Treatment Plant which is depreciated over 8 years.

##### E. Revenue Recognition :-

###### Sale of Goods :

Revenue from sales of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per contract, the Company retains no effective control



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of the goods transferred to a degree usually associated with ownership and no significant uncertainty exist regarding the amount of consideration that will be derived from the sale of goods. Sales are recognized net of Trade Discount, Value Added Tax, CST and Excise Duty.

### **Other Income :**

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Dividend income is recognized when the right to receive the payment is established on the balance sheet date.

Income from export incentive such as duty drawback is recognized on accrual basis.

### **F. Inventories :**

Inventories including raw materials, work-in-progress and stores are valued at cost and that of finished goods are valued at the lower of cost (on Avg. Cost basis) and the net realizable value after providing for obsolescence and other losses, where considered necessary except for by-product, which is valued at estimated realizable value . Cost includes all charges in bringing the goods to the point of sale, including tax, levies, transit insurance, and receiving charges. Work-in-progress and finished goods include material cost, appropriate proportion of overheads and, where applicable, excise duty.

### **G. Foreign Currency Transactions :**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies remaining unsettled at the year- end are restated at the exchange rate prevailing at end of the year.

### **H. Investment :**

Investments are classified into current and noncurrent investments. Current investments are stated at the lower of cost and fair value. Non-current investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, separately for each individual non-current investment. Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as "Current investments". All other investments are classified as "Non-current investments".

### **I. Impairment of Assets :**

Pursuant to Accounting Standard 28 "Impairment of Assets", The Company has a system to review the carrying values of assets / cash generating units at each Balance Sheet date. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

### **J. Employees Benefit :**

- a) The Company's contribution in respect of Provident Fund is charged to Statement of Profit & Loss every year.
- b) The Company has taken group gratuity policy with the Life Insurance Corporation of India for the future payments of retiring gratuities. The amount paid with respect to that is recognized in the Statement of Profit & Loss.

## SHREE HARI CHEMICALS EXPORT LTD.

- c) Company has the policy to recognize leave encashment as an expense as and when it is required to pay the same to the employees of Company.

### **K. Borrowing cost :**

Borrowing Cost that is directly attributable to the acquisition or construction of qualifying assets is capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing cost is recognized as expenses in the period in which they are incurred.

### **L. Taxation :**

Taxation expenses comprise current tax and deferred tax charge or credit. Provision for income tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year.

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred Tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be adjusted.

### **M. Provisions, Contingent Liabilities and Contingent Assets :**

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

### **N. Insurance Claims :**

Insurance and other claims to the extent considered recoverable are accounted for in the year on the basis of claims based on the amount assessed by the surveyor. However, claims and refunds whose recovery cannot be ascertained with reasonable certainty are accounted for on acceptance/ actual receipts basis.

### **O. Earnings Per Share :**

Basic Earnings Per Share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## **II. NOTES TO THE ACCOUNTS :**

### **1. Equity Shares:**

The Company has one class of equity shares having a par value of ` 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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**i. Statement showing Reconciliation of the Number of Shares and the amount outstanding at the beginning and at the end of the reporting period :**

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	(Amount In ₹)	No. of Shares	(Amount In ₹)
Equity Share Capital-Fully paid up with voting Rights:				
Opening Share Capital	4,446,300	44,463,000	4,446,300	44,463,000
Add : Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
<b>Closing Share Capital</b>	<b>4,446,300</b>	<b>44,463,000</b>	<b>4,446,300</b>	<b>44,463,000</b>

**ii. Statement showing details of Shares held by each Shareholders holding more than 5% Share (In Nos.) :**

Name of Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares held	In % of Holding	No. of Shares held	In % of Holding
1. Om Pareek Investment Company Ltd.	465,700	10.47	465,700	10.47
2. Anup Ramuka	231,345	5.20	-	-

(Refer Note No. 1 “Share Capital”)

**2. Details of security provided in respect of the secured Short-term borrowings:**

**a. Cash Credit From State Bank Of India having credit balance of ₹ 34,30,188.47/- as on 31st March, 2016. The details of same is as under:**

Security : The Working Capital loans from State Bank of India is Secured by way of hypothecation of company's entire current assets present and future of Company. This is also secured by way of mortgage of Collateral Security (i) Factory Land, Building, Plant and Machinery and other Fixed Assets of Company situated at Plot Nos. A-8, A-9,A-15/2,MIDC, Mahad. (ii) Office No. 103and 104 Unique Tower, Goregoan, Mumbai (iii) Lien of TDR of ₹ 0.13 crore in the name of Company. Further, Directors of Company have also given personal guarantee.

Credit Balance of cash credit from State Bank of India is included in Short Term Borrowings under Note no-3 of the financial statements.

**3. Details of inventory of work-in-progress (Refer Note No. 10 “Inventories”)**

(Amt. in ₹)

S.No.	Particulars	As at 31st March, 2016	As at 31st March, 2015
1.	Naphthalene	2,999,841	9,305,927
2.	Sulphuric Acid	1,000,797	1,977,532
3.	Oleum 65	969,369	2,254,043
4.	Caustic Soda	2,188,737	5,123,979
5.	Others	2,905,390	6,433,602
	<b>Total</b>	<b>10,064,134</b>	<b>25,095,083</b>

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4. Fixed deposits having a maturity of more than 12 months amounting to ₹ Nil (As at 31 March, 2015 ₹ Nil) and Bank Guarantee margin moneies amounting to ₹ 5,500,327/- (As at 31 March, 2015 ₹ 1,757,000) are included in the Balances with Banks
5. The unpaid dividend outstanding as on 31st March, 2016 is as follows :

Year	(Amt. in ₹)
2008-09	488,364/-
2009-10	414,734/-
2010-11	411,479/-
2013-14	494,742/-
2014-15	1,191,995/-
<b>Total</b>	<b><u>3,001,314/-</u></b>

This amount is kept in separate account maintained by Company with State Bank Of India.  
(Refer Note-12 "Cash and Bank balances")

During the year Company has transferred unpaid dividend for Financial Year 2007-08 of ₹ 603,615/- to the Investor Education and Protection Fund.

6. **Sale of products comprises :** (Refer Note No. 15 "Revenue from Operations")

(Amt. In ₹)

S.No.	Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>A.</b>	<b>Manufactured Goods</b>		
i.	H-Acid	998,685,328	1,295,430,225
ii.	Gypsum and Globular Salt	8,288,010	6,958,844
	<b>Sub-Total (A)</b>	<b>1,006,973,338</b>	<b>1,302,389,069</b>
<b>B.</b>	<b>Traded Goods</b>		
i.	Naphthalene	-	3,696,820
ii.	Others	-	2,613,951
	<b>Sub-Total (B)</b>	<b>-</b>	<b>6,310,771</b>
	<b>Total (A+B)</b>	<b>1,006,973,338</b>	<b>1,308,699,840</b>

## 29th ANNUAL REPORT (2015-2016)

### 7. Details of cost of raw-material consumed : (Refer Note No. 17 “Cost of Goods sold”) (Amt. In ₹)

S.No.	Particulars	As at 31st March, 2016	As at 31st March, 2015
i.	Naphthalene	141,373,464	160,895,686
ii.	Sulphuric Acid	40,044,995	26,535,690
iii.	Oleum 65	40,390,497	31,989,027
iv.	Caustic Soda Flakes	153,673,655	132,202,816
v.	Soda Ash	29,211,983	31,053,650
vi.	Nitric Acid	27,521,255	18,790,524
vii.	Cast Iron Powder	59,318,256	55,916,614
viii.	Lime stone Powder	9,216,703	7,623,472
ix.	Others	63,622,000	50,393,645
	<b>Total</b>	<b>564,372,807</b>	<b>515,401,124</b>

### 8. Details of Purchase of Traded Goods : (Refer Note No. 18 “Purchase of Traded Goods”) (Amt. In ₹)

S.No.	Particulars	As at 31st March, 2016	As at 31st March, 2015
i.	Naphthalene	-	3,599,945
ii.	Soda Ash	-	-
iii.	Caustic Soda Flakes	-	-
iv.	Other Items	-	2,607,408
	<b>Total</b>	<b>-</b>	<b>6,207,353</b>

9. The balance of Sundry Debtors, Creditors, Loans & Advances are subject to their confirmation and reconciliation if any. Bank balance is subject to cheques on hand realization.

### 10. Disclosures require u/s 22 of the Micro, Small Medium Enterprises Development Act, 2006 :

(Amt. In ₹)

S.	Particulars	As at March, 31st, 2016	As at March, 2015
i.	Principal amount remaining unpaid to any supplier as at the end of the accounting year	25,994,271	19,925,738
ii.	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
iii.	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
iv.	The amount of interest due and payable for the year	-	-
v.	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
vi.	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Due to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditor. Amount payable to Micro and Small Enterprises outstanding for more than 90 days is ₹ 1,477,980/-

## SHREE HARI CHEMICALS EXPORT LTD.

### 11. Segment Reporting :

As the Company's business activity falls within a single primary business segment "H-Acid Chemicals product" the disclosure requirement of Accounting Standard (AS) 17 "Segment Reporting" are not applicable.

### 12. Auditor's Remuneration (Exclusive of service tax) :

	2015-16	2014-15
i. Statutory Audit	200,000	200,000
ii. Tax Audit	50,000	50,000
iii. In other capacity	-	-
<b>Total</b>	<b>250,000</b>	<b>250,000</b>

(Amt. In ₹)

13. In the opinion of the Board, current assets, loans and advances have a value at least equal to the amounts at which they are stated in the Balance Sheet, if realized in ordinary course of business.

### 14. Related Party Disclosure :

a. Enterprise in which KMP have significant influence:

i. Shree Hari Finvest Pvt Ltd.

b. Related Party Transaction during the year:

(Amt. In ₹)

	Particulars	Managerial Remuneration	Salary	Sitting Fees	Commission to Directors
I.	Key Managerial Personnel				
i.	Shri. K. L. Ramuka	8,280,000 (7,400,000)	-	-	- (10,000,000)
ii.	Shri. B. C. Agarwal	8,280,000 (7,400,000)	-	-	- (10,000,000)
iii.	Shri. H. P. Ramuka	3,542,400 (2,364,000)	-	-	-
iv.	Shri. S. K. Kedia	-	-	-	-
v.	Smt. P. R. Ajmera	-	-	-	-
<b>II.</b>	<b>Directors</b>				
i.	Shri. Vrijanand Gupta	-	-	20,000 (21,000)	-
ii.	Shri. Arvind Chirania	-	-	20,000 (22,000)	-
iii.	Smt. Ekta Sultania	-	-	12,000 (19,000)	-
iv.	Shri. Vinit Kedia	-	-	20,000 (22,000)	-
II.	Relatives Of Directors				
i.	Shri. Anup Ramuka	-	2,400,000 (2,400,000)	-	-
ii.	Shri. Amit Ramuka	-	2,400,000 (2,400,000)	-	-
iii.	Shri. Sarthak Agarwal	-	2,400,000 (2,400,000)	-	-
	<b>TOTAL</b>	20,102,400 (17,164,000)	7,200,000 (7,200,000)	72,000 (84,000)	- (20,000,000)

\*The amount in brackets represents previous year 2014-15 figures.

## 29th ANNUAL REPORT (2015-2016)

15. As per Accounting Standard -22, issued by the Institute of Chartered Accountants of India, the Deferred Tax Liability of ₹ 130.09 Lakhs (₹ 180.44 Lakhs) has been recognized in the Statement of Profit & Loss. The Deferred Tax Liability arises mainly due to the timing difference of depreciation claimed as per the books of account and the depreciation claimed under the Income tax Act, 1961. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are not recognized because there is no virtual certainty that there will be sufficient future taxable income available to realize such assets.

### 16. Earnings Per Share :

As required by Statement of Accounting Standard (AS) – 20 “Earning per Share”, reconciliation of basic and diluted number of Equity shares used in computing Earnings Per Share is as follows:

Particulars	31/03/2016	31/03/2015
Net Profit/ (Loss) After Tax (In ₹)	11,247,723	320,683,377
Weighted average Number of Shares outstanding	4,446,300	4,446,300
Diluted weighted average no. of shares outstanding	4,446,300	4,446,300
Nominal Value of Equity Share (In ₹)	10/-	10/-
Basic Earnings per Share	2.53	72.12
Diluted Earnings per Share	2.53	72.12

### 17. Earning in Foreign Exchange :

(Amt in ₹)

Particulars	2015-16	2014-15
Export of Goods (FOB Basis)	68,937,160	68,403,160
Export of Goods through Merchant Exporter	1,217,500	2,356,600
<b>Total</b>	<b>70,154,660</b>	<b>70,759,760</b>

### 18. Expenditure in Foreign Currency :

(Amt in ₹)

Particulars	2015-16	2014-15
Commission	970,730	839,373

### 19. Value Of Import Calculated on CIF basis :

(Amt. In ₹)

Particulars	2015-16	2014-15
Purchase of Traded Goods	-	3,599,945
Raw Materials	100,624,046	104,922,997
<b>Total</b>	<b>100,624,046</b>	<b>108,522,942</b>

### 20. Details of consumption of imported and indigenous items :

(Amt. In ₹)

Particulars	2015-16	2014-15
Imported		
Raw Materials	94,707,341	123,265,476
	(16.78%)	(23.92%)
Indigenous		
Raw Materials	469,665,466	392,135,648
	(83.22%)	(76.08%)

## SHREE HARI CHEMICALS EXPORT LTD.

### 21. Contingent Liability:

(Amt. In ₹)

<b>Contingent liabilities and commitments (to the extent not provided for)</b>	<b>2015-16</b>	<b>2014-15</b>
(i) Guarantees	13,710,643	6,009,943
(ii) Demand against Mathadi Board	4,420,536	4,420,536
(iii) Show Cause Notice received by the company from custom/excise department not acknowledge as debt	1,267,503	1,267,503
(iv) Income Tax Demand (Without adjustment of refund)	29,39,812	29,39,812
(v) Letter of credit	12,261,461	44,058,916
(vi) Bills Discounted	Nil	Nil

**As Per Our Report of Even Date attached:**

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**  
**Registration No: 112318W**

**For and on behalf of Board of Directors**

**Kiran Awasthi**  
**Partner**  
**Mem No. 100615**

**K L Ramuka**  
**Chairman & Executive Director**  
**DIN: 00040695**

**B C Agrawal**  
**Managing Director**  
**DIN: 00121080**

**Date: 30th May, 2016**  
**Place: Mumbai**

**S. K. Kedia**  
**Chief Financial Officer**



**SHREE HARI CHEMICALS EXPORT LIMITED**  
**Corporate Identification No. (CIN) - L99999MH1987PLC044942**  
**Registered Office:** A/8, MIDC, Mahad, Dist. Raigad-- 402309, Maharashtra  
**Tel:**02145-232177/233492 **E-mail:** shreeharichem@gmail.com  
**Website:** www.shreeharichemicals.in

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ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

Members attending the Meeting in person or by Proxy are requested to complete the Attendance slip and hand it over at the entrance of the meeting room.

I hereby record my presence at the Annual General Meeting of the Company at the Registered office at A/8, MIDC, Mahad, Dist. Raigad - 402309, Maharashtra, INDIA on Wednesday, September 14, 2016 at 11.30 a.m.

Folio No.:..... DP ID No.:..... Client ID No.: .....

Name and address of the first holder -.....

Name of the Joint Holder(s) -.....

No of shares - .....

.....  
**Full name of the Member (in block letters)**

.....  
**Signature**

.....  
**Full name of the Proxy (in block letters)**

.....  
**Signature**

---

**ELECTRONIC VOTING PARTICULARS**

EVEN Electronic Voting Event Number	USER ID	PASSWORD/PIN

**Form No. MGT-11**

**Proxy form**

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

**SHREE HARI CHEMICALS EXPORT LIMITED**

**Corporate Identification No. (CIN) - L99999MH1987PLC044942**

**Registered Office : A/8, MIDC, Mahad, Dist. Raigad— 402309, Maharashtra**

**Tel: 02145-232177/233492 E-mail: shreeharichem@gmail.com Website: www.shreeharichemicals.in**

Name of the Member (s) :	_____
Registered address:	_____
E-mail Id: _____ Folio No./Client ID: _____ DP ID No. _____	

I/We, being the member(s) of \_\_\_\_\_ equity shares of the above named Company, hereby appoint

1. Name:.....

Address:.....

E-mail Id: ..... Signature:....., or failing him / her:

2. Name:.....

Address:.....

E-mail Id: ..... Signature:....., or failing him / her:

3. Name:.....

Address:.....

E-mail Id: ..... Signature:....., or failing him / her:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Twenty-Ninth Annual General Meeting of the Company, to be held on the 14th day of September, 2016 at A/8, MIDC, Mahad, Dist. Raigad - 402309, Maharashtra, India at 11.30 a.m., and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Sr.No.	Resolution
1.	Adoption of the Audited Financial Statements of the Company for the financial year ended March 31, 2016, together with the Reports of the Board of Directors and the Auditors thereon.
2.	Declare dividend on equity shares.
3.	Appointment of Director in place of Shri Hanuman Prasad Ramuka (holding DIN02440114) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4.	Appointment of Auditors and to fix their remuneration.
5.	Appointment of Shri Anup Ramuka (holding DIN: 00755748), as Director of the Company.
6.	Appointment Shri Anup Ramuka (holding DIN: 00755748) as Managing Director of the Company for a period of three years with effect from July 1, 2016.
7.	Appointment of Shri Bankesh Chandra Agrawal (holding DIN 00121080) as Chairman and Whole Time Director of the Company designated as Chairman and Executive Director for a period of three years with effect from 1st July, 2016.
8.	Payment of remuneration to Shri Hanuman Prasad Ramuka(holding DIN 02440114), Whole Time Director, of the company for the residual period of his tenure from 1st October, 2016 to 29th April, 2018.
9.	Ratification of Remuneration of Cost Auditor for the financial years 2016-17.

Signed this \_\_\_ day of \_\_\_\_\_, 2016

Signature of Shareholder \_\_\_\_\_

Signature of Proxy Holder (s) \_\_\_\_\_

Affix  
Revenue  
Stamp of  
Re. 1/-

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Please complete all details including details of member(s) in above box before submission.
3. Proxy holder can vote either for or against each resolution.



To,



*If not delivered please return to :*  
**SHREE HARI CHEMICALS EXPORT LIMITED**  
103/104,UNIQUE TOWER,  
NEAR KAMAT CLUB, S.V.ROAD,  
GOREGAON (W), MUMBAI-400 062