

6<sup>th</sup> September 2017

To,  
The Manager  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001

Sir,

**Sub: Compliance of Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015**

In compliance with Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015, please find attached Annual Report for the financial year 2016-17 duly approved and adopted by the members of the Company at the Annual General Meeting held on 6<sup>th</sup> September 2017.

Kindly take note of the same and acknowledge.

Thanking You

Your's truly,  
For Sunshield Chemicals Limited

**Amit Kumashi**  
Company Secretary

Encl.: As Above

**SUNSHIELD CHEMICALS LTD. (SOLVAY GROUP)**

**Regd. Office :** Phoenix House, A wing, 4th Floor, 462, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013 Maharashtra. India.

Tel. No. : +91-22-66637100 Fax No. : +91-22-24952834 Corporate Identity Number - L99999MH1986PLC041612

**Factory :** Village Rasal. Post - Pali, Taluka - Sudhagad, Dist. - Raigad - 410 205. Maharashtra. India.

Tel. No. : 02142 - 661110, 02142 - 661111

[www.solvay.com](http://www.solvay.com)



**SOLVAY**

asking more from chemistry®

**Sunshield Chemicals Limited**

**30<sup>th</sup> ANNUAL REPORT  
2016-17**

## Performance Summary

( ₹ In Lacs )

Particulars	Percentage of Growth in comparison to Previous Year	2016-17	2015-16	2014-15	2013-14	2012-13
Volume Sales ( M.T )	28	13323	10446	8765	9703	8146
<b>Revenue</b>						
Gross Sales	10	17,508.72	15,647.37	12,586.46	13,914.09	11,017.78
Net Sales	10	16,522.79	15,022.79	11,900.55	13,365.25	10,530.08
Other Income	(93)	21.77	304.14	68.52	37.48	20.08
<b>Cost</b>						
Material Consumed	13	11,357.56	10,059.94	8,627.28	9,594.32	7,559.29
Employee benefits expense	-	664.65	667.44	629.50	498.58	468.36
Finance costs	(12)	945.98	1,079.66	349.17	357.00	509.76
Depreciation and amortization expense	9	598.44	548.36	326.56	230.13	248.17
Other expenses	10	3,661.44	3,314.68	2,428.04	2,183.89	1,661.54
Profit / Loss before Tax	99	(683.51)	(343.15)	(391.48)	538.81	103.04
Profit / Loss after Tax	544	(544.08)	(84.55)	(318.34)	(40.46)	84.23
Earning Per Share	543	(7.40)	(1.15)	(4.33)	(0.55)	1.15

**DIRECTORS**

R L Shenoy	Chairman
Manoj Khullar	Managing Director
Ajit Shah	
Valdirene Licht	
Ian Brown	
Satish Kelkar	
Sze Wee Ong	(Alt. Guo Lin)
Chidananda Bhagwat	(w.e.f 26 <sup>th</sup> May 2017)
Aruna Soman	(w.e.f 1 <sup>st</sup> June 2017)
Arun Roy	(upto 31 <sup>st</sup> May 2017)
Sanjeev Mukerjee	(upto 31 <sup>st</sup> May 2017)

**AUDIT COMMITTEE**

Ajit Shah	Chairman
Aruna Soman	
R L Shenoy	
Manoj Khullar	
Satish Kelkar	
Sanjeev Mukerjee	(upto 31 <sup>st</sup> May 2017)

**COMPANY SECRETARY**

Amit Kumashi

**CHIEF FINANCIAL OFFICER**

Rajeev Gupte

**AUDITORS**

M/s. Deloitte Haskins &amp; Sells LLP

**BANKERS**

Kotak Mahindra Bank Ltd.  
BNP Paribas  
State Bank of India  
Citi Bank N.A.

**REGISTERED OFFICE**

Phoenix House, "A" Wing, 4<sup>th</sup> Floor  
462, Senapati Bapat Marg,  
Lower Parel (West), Mumbai - 400 013  
Tel.No.91-22-66637100

**REGISTRARS & SHARE TRANSFER AGENTS**

TSR Darashaw Limited  
6-10, Haji Moosa Patrawala Industrial Estate  
20, Dr. E. Moses Road, Near Famous Studio  
Mahalaxmi, Mumbai - 400 011  
Tel : 91-22-66568484

**WORKS**

Pali-Khopoli Road, Village Rasal, Wave  
Taluka Sudhagad, Dist. Raigad, Maharashtra

**CORPORATE INDENTITY NUMBER**

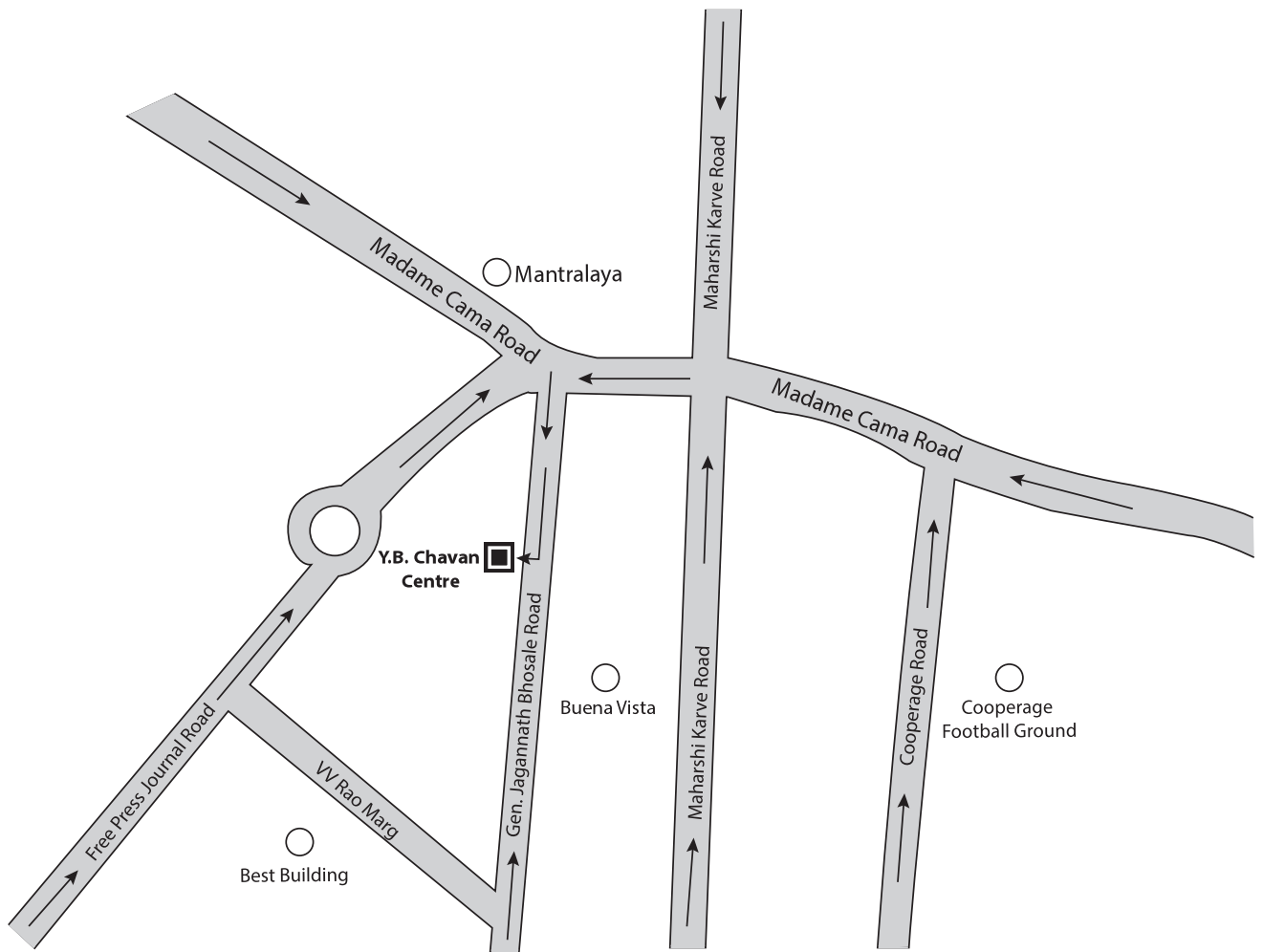
L99999MH1986PLC041612

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Route Map to the venue of the AGM

■ Convention Hall,  
Y. B. Chavan Centre,  
Gen. Jagannath Bhosale Marg,  
Nariman Point, Mumbai 400 021



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## NOTICE

### NOTICE

**NOTICE** is hereby given that the 30<sup>th</sup> Annual General Meeting (“AGM”) of the Members of **Sunshield Chemicals Limited** will be held on **Wednesday, 6<sup>th</sup> September 2017** at 11.00 a.m. at Convention Hall, Y. B. Chavan Centre, Gen. Jagannath Bhosale Marg, Nariman Point, Mumbai 400 021 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 31<sup>st</sup> March 2017, the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Satish Kelkar (DIN-01307387), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Ms. Valdirene Licht (DIN-07405104), who retires by rotation and, being eligible, offers herself for re-appointment.
4. Ratification of appointment of Statutory Auditors

To consider and if thought fit, to pass with or without modification, as an **Ordinary Resolution**, the following:

**“RESOLVED THAT** subject to the provisions of Sections 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), and Companies (Audit and Auditors) Rules 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm registration number 117366W/W-100018), as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in the year 2018, at such remuneration plus applicable tax, out-of-pocket, travelling expenses etc., as may be mutually agreed between the Board of Directors and the Auditors from time to time.”

### SPECIAL BUSINESS:

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, M/s Kishore Bhatia & Associates Cost Accountants (Firm Registration No.00294), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March 2018, be paid remuneration of ₹ 2,10,000/- (Rupees Two Lacs Ten thousand only) plus applicable tax and reimbursement of out-of-pocket expenses at actuals, if any incurred in connection with the audit;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To consider and if thought fit, to pass with or without modification(s), an **Ordinary Resolution**, the following:

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Aruna Soman (DIN - 03622209) who was appointed as an Additional Director pursuant to provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to

retire by rotation to hold office for five consecutive years for a term up to 31<sup>st</sup> May 2022.”

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

**“RESOLVED THAT** Mr. Mr. Chidananda Bhagwat, be and is hereby appointed as a Director of the Company;

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 161, 196, 197, and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Companies Act, 2013, Mr. Chidananda Bhagwat (DIN-07804785) be and is hereby appointed as Director of the Company for a period of three years with effect from 26<sup>th</sup> May 2017 on following terms and conditions:

- i) Basic Salary: ₹ 102,564/- (Rupees One Lac Two Thousand Five Hundred Sixty Four only) p.m.
- ii) House Rent Allowance: ₹ 102,564/- (Rupees One Lac Two Thousand Five Hundred Sixty Four only) p.m.
- iii) Education Allowance: ₹ 200/- (Rupees Two Hundred only) p.m.
- iv) Medical Expense Reimbursement: ₹ 1,250/- (Rupees One Thousand Two Hundred Fifty only) p.m.
- v) Leave Travel Allowance: For travel in India and according to terms and conditions of the payment shall be as per the Company's policy. ₹ 102,564/- (Rupees One Lac Two Thousand Five Hundred Sixty Four only) p.a.
- vi) Supplementary Allowance: ₹ 1,39,530/- (Rupees One Lac Thirty Nine Thousand Five Hundred Thirty only) p.m.
- vii) Variable Remuneration: Subject to Solvay Policy. ₹ 7,66,056/- (Rupees Seven Lacs Sixty Six Thousand Fifty Six only) p.a.
- viii) Petrol and Maintenance Reimbursement: Company will reimburse Petrol and Maintenance of ₹ 1,35,000/- (Rupees One Lac Thirty Five Thousand only) p.a.

- ix) Vehicle Loan Subsidy: Subject to Solvay Policy. ₹ 59,964/- (Rupees Fifty Nine Thousand Nine Hundred Sixty Four only) p.a.
- x) All the contributions to the statutory dues like Provident Fund Contribution, and Gratuity, would be adjusted accordingly.

The remuneration shall be revised / increased by the Board of Directors during the currency of the period of appointment subject to an overall limit of ₹ 84,00,000/- (Rupees Eighty Four Lacs only) per annum.

**RESOLVED FURTHER THAT** pursuant to the Articles of Association of the Company, Mr. Chidananda Bhagwat shall not retire by rotation;

**RESOLVED FURTHER THAT** notwithstanding anything contained herein, where in any financial year the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Chidananda Bhagwat, the remuneration by way of salary, bonus and other allowances not exceeding the limits specified under Section II, Part II of Schedule V to the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

**By Order of the Board of Directors  
For SUNSHIELD CHEMICALS LIMITED**

**Amit Kumashi  
Company Secretary**

Mumbai, 2<sup>nd</sup> June 2017  
Phoenix House, 'A' Wing, 4<sup>th</sup> Floor,  
462, Senapati Bapat Marg,  
Lower Parel (West), Mumbai 400013

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ONLY INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. Shareholders are requested to notify change of address, if any, and details of their bank account to the Registrar/ Depository Participants.
3. For the convenience of shareholders, attendance slip is annexed to the proxy form. Shareholders are requested to affix their signatures at the space provided and hand over the attendance slip at the entrance of the place of meeting. Proxy/ Representative of a shareholder should mark on the attendance slip as "Proxy" or "Representative" as the case may be. Shareholders are also requested not to bring with them any person who is not a shareholder.
4. Corporate members intending to send their authorized representatives to attend the Annual General Meeting (AGM) pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the AGM.
5. As a measure of economy, copies of the annual report will not be distributed at the AGM. Shareholders are, therefore, requested to bring their copies of the annual report at the meeting.
6. To facilitate easy and cheap transactions in its shares, the Company has dematerialised its shares. Majority of the shareholders have already availed of this facility and de-materialised their shareholdings. Shareholders who have not yet de-materialised their shareholdings are requested to avail of this facility and de-materialise their shareholdings at the earliest. In case any assistance is needed, shareholders are requested to get in touch with the Secretarial Department of the Company.
7. The Notice of the AGM along with the Annual Report 2016-17 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. Members are entitled to receive the said Annual Report & Notice in physical form upon sending a request in writing to the Company's registered office and / or sending an email to [investor.sunshield@solvay.com](mailto:investor.sunshield@solvay.com). For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
8. Members may also note that the Annual Report for 2016-17 will be available on the Company's website [www.solvayindia.in](http://www.solvayindia.in).
9. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Registrar/ Depositories.
10. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS 2) issued by the Institute of Company Secretaries of India, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited (NSDL), on all the resolutions set forth in this Notice. The facility for voting, through ballot paper, will also be made available at the AGM



## Sunshield Chemicals Limited

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and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper.

11. Mr. Alwyn D'Souza, Practicing Company Secretary (Membership No. FCS 5559) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

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

13. Members can opt for only one mode of voting, i.e., either remote e-voting or Ballot paper. In case members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through ballot paper shall be treated invalid.

14. The instruction for e-voting are as under:

A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):

- i. Open email and open PDF file viz; "Sunshield remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- iii. Click on Shareholder – Login.
- iv. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
- v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters

or a combination of both. Please take utmost care to keep your password confidential.

- vi. Home page of remote e-voting opens. Click on e-voting: Active Voting Cycles.
  - vii. Select "EVEN" of Sunshield Chemicals Limited. Now you are ready for e-voting as Cast Vote page opens.
  - viii. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - ix. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - x. Once the vote on the resolution is cast, the member will not be allowed to change it subsequently.
  - xi. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizer.sunshield@gmail.com](mailto:scrutinizer.sunshield@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories) or requesting physical copy:
- i. Initial password is provided separately: EVEN (E-Voting Event Number), USER ID and PASSWORD.
  - ii. Please follow all steps from Sl. No. ii to Sl. No. xii above, to cast vote.

Note: Shareholders who forgot the user details/ password can use "Forgot User Details/Password?" or "Physical User Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

In case shareholders are holding shares in demat mode, USER-ID is the combination of (DP ID + Client ID)

In case shareholders are holding shares in physical mode, USER-ID is the combination of (Even No. + Folio No.)

C. Other Instructions:

- i. The e-voting period commences on 3<sup>rd</sup> September 2017 (9:00 am) and ends on 5<sup>th</sup> September 2017 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 30<sup>th</sup> August 2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - ii. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date of 30<sup>th</sup> August 2017. 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 through ballot.
  - iii. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 30<sup>th</sup> August 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- iv. The Chairman shall at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  - v. The Scrutinizer shall after the conclusion of voting at the AGM, would count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - vi. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.solvayindia.in](http://www.solvayindia.in) and on the website of NSDL immediately after the result is declared. The Company shall forward the results to BSE Limited, where the shares of the Company were listed.

## Annexure to Notice

### Explanatory Statement under Section 102 of the Companies Act, 2013

#### Item No. 5

The Board of Directors of the Company on the recommendation of Audit Committee has appointed M/s. Kishore Bhatia & Associates, as Cost Auditors for auditing the cost accounts of the Company for the Financial Year 2017-18.

In accordance with the provision of Section 148 of Companies Act, 2013 ("the Act") read with Companies (Audit and Auditor) Rules, 2014, the remuneration payable to Cost Auditor has to be ratified by the Shareholders of the Company.

Accordingly, consent of the members is sought for ratifying the amount of remuneration of ₹ 2,10,000/- (Rupees Two Lacs only) plus applicable tax and reimbursement of out-of-pocket expenses payable to the Cost Auditors, for the year 2017-18 as set out at item no. 5 of the notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested in the resolution at item No.5.

The Board recommends the Ordinary Resolution set out at Item no. 5 of the Notice for approval of Shareholders.

#### Item No. 6

Mrs. Aruna Soman was appointed as an Additional Director to hold office as an Independent Director of the Company with effect from 1<sup>st</sup> June 2017.

In accordance with the provisions of Section 149 read with Schedule IV to Companies Act, 2013 ("the Act"), appointment of Independent Directors requires approval of shareholders.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Soman for the office of Director of the Company.

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

Mrs. Aruna Soman is a qualified Cost Accountant and a Law Graduate. She has 29 years of work experience in a German Pharmaceutical multinational company, in the

areas of Costing, MIS, Taxation, RBI and Legal matters. She is the first woman central council member of the Institute of Cost Accountants of India. Mrs. Soman is associated with Social organization and NGO working in area of citizen welfare and helping cancer patients.

Mrs. Soman is holding directorship in the following Indian Company:

Sr. No.	Name of Company	Position Held	Committee Membership
1.	Shrenuj and Company	Director	Nil

Mrs. Soman does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

The Company has received a declaration from Mrs. Soman that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act. In the opinion of the Board, Mrs. Soman fulfills the conditions for her appointment as an Independent Director as specified in the Act.

Copy of the draft letter for appointment of Mrs. Soman as an Independent Director is available for inspection at the Registered Office of the Company during business hours on any working days upto the date of AGM.

The Company will be vastly benefited from the professional capabilities and varied experience of Mrs. Soman. The Board, therefore, recommends her appointment as a Director of the Company.

Except Mrs. Soman, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

#### Item No. 7

The Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee at their meeting held on 26<sup>th</sup> May 2017 have, in accordance with the provisions of Articles of Association of the Company and subject to the approval of the shareholders in the AGM and that of the Central Government, if required under the provisions of Companies Act, 2013 ("the Act"), sought to appoint Mr. Chidananda Bhagwat as Director, for a period of 3 (Three) years, effective from 26<sup>th</sup> May 2017. The Company has entered into an agreement with Mr. Chidananda Bhagwat.

**Salient features of the agreement entered into with Mr. Chidananda Bhagwat:**

**Powers:** Mr. Bhagwat shall have the general control, management, and supervision and shall exercise such powers as are vested in him or as may from time to time be assigned to him by the Board of Directors of the Company.

**Whole-time Involvement:** Mr. Bhagwat shall devote his whole time and attention to the business of the Company and shall use his best endeavours to promote its interests and welfare. He shall not engage himself, indirectly, in any other business or employment during the tenure of this agreement.

**Sitting Fees:** Mr. Bhagwat will not be paid any sitting fees for meetings of the Board or of any Committee thereof attended by him.

**Secrecy and Confidentiality:** During the continuance of his service with the Company and 3 (three) years after termination of the service from any cause whatsoever, Mr. Bhagwat shall not either directly or indirectly disclose, divulge, authorize or permit the disclosure or delivery to anyone not properly entitled thereto, any trade secrets, know-how, any confidential information and other matters relating to the Company or its business.

**Termination:** Either party to the Agreement may terminate the same by giving to the other party not less than 3 (three) months' previous notice in writing. The Company shall, in addition, have the right to terminate Agreement at any time without being required to state reasons for so doing on payment to Mr. Bhagwat 3 (three) months' salary in lieu of notice. The premature termination of this agreement shall not absolve Mr. Chidananda Bhagwat of the obligations under the Secrecy and confidentiality clause which shall continue to be in force.

The following is the statement of information for the Shareholders pursuant to Section II of Part II of Schedule V of the Act.

**I. GENERAL INFORMATION:**

- Nature of Industry : Specialty Chemicals
- Date of Commencement of Commercial Production : 19<sup>th</sup> October 1987
- In case of new companies, expected date of commencement of activities as per project

approved by financial institutions appearing in the prospectus: Not Applicable.

- Financial performance based on given indicators  
(₹ In Lacs)

Particulars	Financial year 2014-15	Financial year 2015-16	Financial year 2016-17
Total Income	11,969	15,327	16,545
Total Expenses	12,360	15,670	17,228
Net Profit for the period	(318)	(85)	(544)
Basic EPS (₹)	(4.33)	(1.15)	(7.40)

- Export performance and net foreign exchange collaborations: Export performance in the financial year 2016-17 was ₹ 8139 Lacs as compared to ₹ 8211 Lacs in 2015-16. Company does not have any foreign collaboration.
- Foreign Investments or collaborators, if any: Rhodia Amines Chemicals Pte. Ltd. Singapore, part of Solvay S.A. group, holds 62.36% Equity Shares in the Company.

**II. INFORMATION ABOUT THE APPOINTEE**

- Background details:

Mr. Chidananda Bhagwat, is a B.Sc Tech (Technology of Intermediates and Dyes) and has a Bachelor degree in Science in the field of Chemistry and Diploma in Business Administration. Mr. Bhagwat has a work experience over 20 years. He started his career by joining Gharda Chemicals Limited as a Production Trainee and Shift Production Officer. After working with Gharda Chemicals he joined BASF India Limited. In BASF India he was employed as Assistant Manager for Dispersion Plant, Plant Manager for Styropor Plant. In year 2013 he was promoted in BASF as Country Lead, Operational Excellence, sub-region South Asia. In BASF he was responsible for plant expansion project, streamlining and stabilization the plant operations.

He has more than 20 years of experience in Chemical Industry which includes production activities, training, Capex and OpEx related

activities, Projects, process training and team management. The Board has recommended the appointment of Mr. Bhagwat as a Director. Mr. Bhagwat is working as Operations Manager for Rasal Site since January 2014. Mr. Bhagwat is not a shareholder of the Company and nor he is related to promoters.

- b. Past Remuneration: Nil
- c. Recognition or awards: None
- d. Job Profile and his suitability:

The Board of Directors is of the opinion that Mr. Chidananda Bhagwat's experience will be of immense use to the Company to achieve growth in future. He shall be responsible for the management of the affairs of the Company.

- e. Remuneration proposed: As mentioned in the Resolution.
- f. Comparative remuneration, profile with respect to industry, size of the company, profile of the position and persons:  
The Nomination and Remuneration Committee and the Board after taking into account financial position, trend in the industry, his qualification and experience find the proposed remuneration to Mr. Chidananda Bhagwat to be comparable to the remuneration profile with respect to Specialty Chemical Industry, size of our Company and the profile of the Director.
- g. Pecuniary Relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Nil

### III. OTHER INFORMATION

- a. Reasons of loss or inadequate profits:  
There were number of increases in key Raw Material Prices and changes in landed costs, caused by adverse foreign exchange rates as also finance costs.
- b. Steps taken or proposed to be taken for improvement:  
Company has upgraded its production processes, installed balancing equipment for increased production.  
With higher production, Company expects to

lower per unit production cost including economy in Oil & Fuel costs and achieve better economy of scale in general.

- c. Expected increase in productivity and profits in measurable terms:

Company expects a growth in Specialty Chemicals tonnage because of increased capacity, and efficiency and reduced energy cost.

### IV. DISCLOSURES

The remuneration package of the Managerial Person is as disclosed in the Special Resolution.

In accordance with provisions of Section 196, 197, and other applicable provisions of the Act and rules made thereunder, read with Schedule V of the Act, shareholders' approval is sought for appointment of Mr. Chidananda Bhagwat as Director.

The agreement entered between the Company and Mr. Chidananda Bhagwat is available for inspection at the Registered Office of the Company during business hours on any working days upto the date of AGM.

Except Mr. Chidananda Bhagwat, none of the Directors and Key Managerial Personnel and their relatives is interested in the resolution. The Board, therefore, recommends his appointment as a Director of the Company.

**By Order of the Board of Directors**  
For **SUNSHIELD CHEMICALS LIMITED**

**Amit Kumashi**  
Company Secretary

Mumbai, 2<sup>nd</sup> June 2017  
Phoenix House,  
'A' Wing, 4th Floor,  
462 Senapati Bapat Marg,  
Lower Parel (West), Mumbai-400013

**Profile of the Director being re-appointed / appointed at the AGM**

<b>Name</b>	<b>Satish Kelkar</b>	<b>Valdirene Licht</b>	<b>Aruna Soman</b>	<b>Chidananda Bhagwat</b>
Direct Identification Number (DIN)	01307387	07405104	03622209	07804785
Age	69	49	63	43
Qualification	B.Sc. from Mumbai University and has Masters' Degree in Management Studies (MMS)	Master degree in Science of Management MIT (USA), Post-Graduation degree in Business Administration	Cost Accountant and a Law Graduate	B.Sc Tech (Technology of Intermediates and Dyes) and Bachelor degree in Science in the field of Chemistry and Diploma in Business Administration
Career Graph i.e. experience in the existing industry	Experience of more than three decades in the business of manufacturing and marketing of Specialty Chemicals, Anti-oxidants, Surfactants and other Ethylene Oxide, Condensates having been connected with Sunshield Chemicals Limited. He is the past president of Indian Specialty Chemicals Manufacturers Association (ISCMA)	27 years of experience in various fields' viz., Marketing, Management, and Strategic. She is currently General Manager of Novicare business for Asia Pacific region	29 years of work experience in a German Pharmaceutical multinational company, in the areas of Costing, MIS, Taxation, RBI and Legal matters. She is the first and only woman central council member of the Institute of Cost Accountants of India. Mrs. Soman is associated with Social organization and NGO working in area of citizen welfare and helping cancer patients.	20 years of experience in Chemical Industry which includes production activities, training, Capex and OpEx related activities, Projects, process training and team management.
Terms and Conditions of Appointment/ Re-appointment	Appointed as Non-Executive Director liable to retire by rotation	Appointed as Non-Executive Director liable to retire by rotation	Refer Item No. 6	Refer Item No. 7
Details of other Directorships held in Indian Companies	Mazda Colours Limited	Hindustan Gum and Chemicals Limited Rhodia Specialty Chemicals India Private Limited	Shrenuj and Company	Nil
Details of committee Memberships held in other Indian Companies	Nil	Audit Committee Nomination and Remuneration Committee	Nil	Nil
No. of shares held	1,000 (0.01%) Equity Shares of ₹ 10/- each in the Company	Nil	Nil	Nil

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to submit their 30<sup>th</sup> Annual Report of the Company along with the Audited financial statements for the year ended 31<sup>st</sup> March 2017:

### 1. OVERVIEW OF FINANCIAL RESULTS

Highlights of Company's performance during the financial year 2016-17, is as under:

	(₹ In Lacs)	
	2016-17	2015-16
Export Sales	8140	8198
Domestic Sales (Net of Excise Duty)	8356	6739
Other Operating Income	27	86
Revenue from Operations	16523	15023
Other Income	22	304
<b>Total Income</b>	<b>16545</b>	15327
Less :		
Materials Consumed	11358	10060
Employees Remuneration & Benefits	665	667
Manufacturing, Administrative, Selling & Other Expenses	3661	3315
<b>Total Expenses</b>	<b>15684</b>	14042
<b>Operating Profit (EBITDA)</b>	<b>861</b>	1285
Less: Finance Cost	946	1080
<b>Profit Before Tax &amp; Depreciation (Cash Profit)</b>	<b>(85)</b>	205
Less: Depreciation	598	548
<b>Net Profit Before Tax</b>	<b>(683)</b>	(343)
Less: Tax Expense		
Current Tax Expense	-	4
Tax adjustments relating to prior years	-	-
Deferred Tax (Credit)/Charge	(139)	(263)
<b>Net Loss after Tax</b>	<b>(544)</b>	(84)

### II. Operating and Financial Performance of the Company

(₹ In Lacs)

	F.Y. 2016 - 2017	F.Y. 2015 - 2016	Change over Previous year
i) Exports	8140	8198	(1%)
ii) Domestic (including Excise duty)	9343	7569	23%
iii) Other Operating Income	27	86	(69%)
<b>Gross Sales</b>	<b>17509</b>	15853	10%
Less: Excise Duty	986	830	
<b>Net Sales</b>	<b>16523</b>	15023	10%
Other Income	22	304	(93%)
<b>Total Income</b>	<b>16545</b>	15327	8%

	F.Y. 2016 - 2017	F.Y. 2015 - 2016	Change over Previous year
Volume Sales (MT)	13323	10446	28%
Net Sales Value (₹)	16523	15023	10%
Average Product Price (₹ per kg)	124	144	(14%)

During the year, Sales by Volume went up by 28% from 10446 Mt. to 13323 Mt. the sales in Value terms went up by 10%.

Export Sales went down by 1% from ₹ 8198 lacs to ₹ 8140 lacs and domestic Sales went up by 23% from ₹ 7569 lacs in 2015-16 to ₹ 9343 lacs in 2016-17.

EBIDTA was down by 33% at ₹ 861 lacs in the year 2016-17 against EBIDTA of ₹ 1285 lacs in the previous year.

Cash profit (Profit before Tax & Depreciation) went down by 58% from ₹ 205 lacs in the year 2015-16 to loss of ₹ 85 lacs in the year 2016-17.

Losses are mainly on account of forex fluctuations, write off of fixed assets which are no longer in use, increase in rates and taxes, and increases in operating costs. The increase in operating cost is mainly on the

account of plant upgrades and other corporate projects related to manufacturing excellence and other excellence programs at plant, which will help in increased efficiency and productivity of plant in future etc.

## 2. DIVIDEND

In view of losses, the Board of Directors does not recommend any dividend for the year ended 31<sup>st</sup> March 2017.

## 3. SHARE CAPITAL

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2017 was ₹ 7.35 Crores. During the year under review, the Company has not issued new shares.

## 4. MANAGEMENT'S DISCUSSION AND ANALYSIS : F.Y. 2016-2017

### I. Industry Structure & Development :-

The chemical industry is a key enabler for other industries. As chemicals are consumed in varying proportion by every industry (rightly from electronics to paints, from pharmaceuticals to cosmetics), without chemicals sustainable development of other sectors is not possible.

The Chemical Industry is a crucial constituent of the growing Indian Economy, providing the key material for several industries. The Company is operating only in one Segment, namely 'Specialty Chemicals'. Specialty Chemicals are particular chemical products which provide a wide variety of effects on which many other industry sectors rely.

The Company manufactures a wide range of specially formulated and customized products for various Industrial applications. Company's customers are well recognized and located not only in India but all over the World especially in America, Europe, and Far-East.

Our customers represent a wide range of Industries such as Wire Insulation Enamel, PVC stabilizers, Inks, Colours, Coatings, Textiles, Agro Chemicals, Polymers, Plastics, Rubber, Latex, Tyre and Tubes, Conveyor belts, Lubricants, Additives, Home care, Cosmetic, Soaps detergents, Fertilizers and many more.

Our Customers are always seeking innovative products formulation for their current process needs, which is

fulfilled by Company's R&D, application, knowledge and experience. Solvay Group which represents this worldwide, in specialty chemicals supports the Sunshield team.

Company's main products belong to:

- a. Specialty Surfactant applications, which are predominantly Ethylene Oxide (EO) based products. The technologies developed involve surfactants, Esters, Amides, and other complementary processes.
- b. Specialty Anti-Oxidants for Lubricants, Polymers, Rubber, Tyre & Latex and other Industries involving Aminic & Phenolic technologies and
- c. Other Non-EO technologies & customized blends for various applications.

### II. Outlook

The Company's products continue to be well received by World's leading users of specialty chemicals for a diverse range of industrial applications. The Company has been recognized as a reputable and dependable supplier to many Indian and global consumers of specialty products developed in-house.

Company remains optimistic on its future outlook however, there is need to watch out for Implementation of GST Act and transition from current regime of indirect tax to GST, ability of the Company to develop new business in new business segments and effect of production cut announcement by Organization of the Petroleum Exporting Countries (OPEC) on crude oil prices.

### III. Risks and Concerns

The Present and future risks are reviewed by the management of the Company at regular intervals. Adequate risk management is a key success factor, to mitigate risks associated with the solutions we provide. Major risks identified by the business and functions are systematically addressed through mitigating actions on continuous basis. These are discussed at Audit Committee and Board of Directors Meetings. Following risks are considered as high risks areas:

- i. Foreign Exchange Fluctuations
- ii. Procurement Risk



- iii. Competition Risk
- iv. Market Volatility

Major Risk arises from main raw material viz., Ethylene Oxide (EO). EO is currently consistently available from only one manufacturer in the country. Some of the major raw materials are hazardous and inflammable. The Company has ensured that Safety equipment's and infrastructure are in place as per statutes and global safety standards.

In addition to above, the Company feels that current geopolitical situation may affect demand from user industry in certain economies which can bring pressures all over and the aggressive pricing can cause concerns about margins.

#### IV. Internal Financials Controls and its adequacy

Internal Checks and Controls covering operations of the Company are in place and are constantly being improved upon. The Company had laid down internal financial controls to be followed by the Company and such policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

#### V. Human Resources

Employee relationships at all levels continued to be satisfactory. The management would like to record its appreciation of dedicated and strong support provided to your Company, by its employees at all levels. During the year under review, the Company successfully entered into wage settlement agreement with workers of the Company. The number of employees on rolls as on 31<sup>st</sup> March 2017 is 98.

**(The statement in this report including Management's Discussions & Analysis Report reflects Company's projections, estimates, expectations or predictions. These may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied,**

**since your Company's operations are influenced by many external and internal factors beyond the control of the Company.)**

#### 5. BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business.

The Board met four times in the financial year 2016-17 i.e on 30<sup>th</sup> May 2016, 9<sup>th</sup> August 2016, 14<sup>th</sup> November 2016 and 10<sup>th</sup> February 2017.

#### 6. BOARD COMMITTEES

There are currently six Committees of the Board, which are given below:

- **Audit Committee**

Audit Committee includes six Directors viz., Mr. Ajit Shah (Chairman/Independent Director), Mr. Sanjeev Mukerjee (Independent Director), Mrs. Aruna Soman (Independent Director) (effective from 1<sup>st</sup> June 2017), Mr. Ranjal Laxmana Shenoy (Independent Director), Mr. Manoj Khullar (Managing Director) and Mr. Satish Kelkar (Non-Executive Director).

The role includes oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by statutory auditors; reviewing with the management quarterly results and annual financial statements before submission to the Board for approval; approval or any subsequent modification of any transactions of the Company with related parties; review and monitor the auditor's independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments, if any; evaluation of internal financial controls and risk management system; and reviewing the functioning of the whistle blower mechanism.

- **Nomination and Remuneration Committee**

The Board has constituted Nomination and Remuneration Committee which comprises of Independent Directors viz. Mr. Ranjal Laxmana Shenoy, Mr. Ajit Shah, Mr. Sanjeev Mukerjee and Mrs. Aruna Soman (effective from 1<sup>st</sup> June 2017)

The role of the committee include the Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity; and 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 their appointment and removal.

- **Stakeholders' Relationship Committee**

Stakeholders Relationship Committee comprises of Mr. Sanjeev Mukerjee (Independent Director), Mrs. Aruna Soman (Independent Director) (effective from 1<sup>st</sup> June 2017), Mr. Ajit Shah (Independent Director) and Mr. Manoj Khullar (Managing Director).

The Committee focuses primarily on monitoring and ensuring that all shareholder and investor services operate in an efficient manner and that shareholder and investor grievances / complaints including that of all other stakeholders are addressed promptly with the result that all issues are resolved rapidly and efficiently.

- **Corporate Social Responsibility Committee**

The Board has constituted Corporate Social Responsibility Committee comprising of Mr. Ajit Shah (Independent Director), Mr. Arun Roy (Director), Mr. Chidananda Bhagwat (Director) and Mr. Manoj Khullar (Managing Director).

The Committee focuses on formulation and Review of CSR policy indicating activities to be undertaken by the Company; recommendation of the amount of expenditure to be incurred on CSR

activities and monitoring and implementing this policy from time to time.

During the year under review, the Company was not required to spend on CSR activities. As a part of societal action, the Company has spent on CSR activities during the year under review.

The CSR policy of the Company and Annual Report on CSR activities is annexed herewith as Annexure A.

- **Risk Management Committee**

The Board has constituted Risk Management Committee comprising of Mr. Manoj Khullar (Managing Director), Mr. Arun Roy (Director), Mr. Chidananda Bhagwat, (Director) and Mr. Shekhar Pattekar (Manager Factory).

The role of Risk Management Committee includes reviewing and approving the risk management policies of the Company; assessment and monitoring of all risks associated with the operations of the Company and development and implementation of internal compliance and control systems and procedures to manage risk.

- **Committee for Issue of Duplicate Share Certificates**

The Board has constituted a Committee for the purpose of issuance of duplicate share certificates. The Committee comprises of one Non-Executive Director viz Mr. Satish Kelkar and three Executive Directors Mr. Arun Roy, Mr. Chidananda Bhagwat, and Mr. Manoj Khullar.

## 7. DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of section 134 (3)(c) of the Companies Act, 2013, the Directors hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors 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 and loss of the company for that period;

- (c) the directors 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;
- (d) the directors have prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively;
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **8. FRAUD REPORTING BY AUDITORS**

As required under Section 134(3) (ca) of the Companies Act, 2013, there are no instances of Fraud being reported by the Auditors.

### **9. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

### **10. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provision of the Companies Act, 2013 Mr. Satish Kelkar and Ms. Valdirene Licht, Directors of the Company, retire by rotation and being eligible, offer themselves, for re-appointment. The profiles of the Directors seeking re-appointment form part of the Annexure to the Notice.

The Board of Directors appointed Mr. Chidananda Bhagwat as an Additional Director to hold office as Director of the Company with effect from 26<sup>th</sup> May 2017 and Mrs. Aruna Soman as an Additional Director

to hold office as an Independent Director of the Company with effect from 1<sup>st</sup> June 2017.

Mr. Bhagwat and Mrs. Soman shall hold office of Director upto the date of the forthcoming Annual general meeting of the Company. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Bhagwat and Mrs. Soman for the office of Director of the Company.

Details of the proposal for appointment of Mr. Chidananda Bhagwat and Mrs. Aruna Soman are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 30<sup>th</sup> Annual General Meeting.

None of the Directors is disqualified from being appointed as Directors as specified in Section 164(2) of the Companies Act, 2013.

The Company has recognized pursuant to Sections 2 (51) and 203 of the Act, Mr. Manoj Khullar, Managing Director, Mr. Chidananda Bhagwat, Director, Mr. Rajeev Gupte Chief Financial Officer and Mr. Amit Kumashi Company Secretary of the Company as Key Managerial Personnel of the Company.

### **11. ANNUAL EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Committees. The Independent Directors have evaluated the performance of the non-independent Directors and the Board as a whole. They also assessed the quality, quantity and flow of information between Company's management and the Board that they are necessary for the Board to effectively and reasonably perform their duties.

### **12. COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION**

In accordance with Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee has formulated Remuneration Policy ("the policy").

The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks

to provide criteria for determining qualifications, positive attributes and independence of a director.

### **Remuneration Policy**

#### **Directors**

Nomination and Remuneration Committee shall recommend the remuneration, including the commission based on the net profits of the Company for the Non-Executive Directors and Managing Director and other Executive Directors. This will be then approved by the Board and shareholders. Prior approval of shareholders will be obtained wherever applicable in case of remuneration to non-executive directors.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and variable pay to Wholtime Director. Salary is paid within the range approved by the Shareholders. Annual increments effective 1<sup>st</sup> January each year, as recommended by the Nomination and Remuneration Committee, and is approved by the Board. Within the prescribed ceiling, the perquisites package is approved by the Remuneration Committee.

The remuneration paid to Executive Directors is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance. Perquisites and retirement benefits are paid according to the Company policy as applicable to all employees.

Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as independent professionals / Business Executives. Independent Non-Executive Directors receive sitting fees for attending the meeting of the Board and Board Committees and commission as approved by the Board and shareholders.

The remuneration by way of commission paid to the Independent Non-Executive directors is determined periodically & reviewed based on the industry benchmarks.

#### **Key Managerial Personnel and Other Employees**

The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid

according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience / merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry.

The annual variable pay of managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year.

### **Criteria for Board Membership**

#### **Directors**

The Company shall take into account following points:

- Director must have relevant experience in Finance/ Law/ Management/ Sales/ Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to company's business.
- Director should possess the highest personal and professional ethics, integrity and values.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.

#### **Independent Director**

Independent Director is a director who has no direct or indirect material relationship with Sunshield or any of its officers, other than as a director or shareholder of Sunshield.

Independent Director shall meet all criteria specified in Section 149(6) of the Companies Act, 2013 and rules made thereunder.

### **13. RISK MANAGEMENT POLICY AND INTERNAL CONTROL ADEQUACY**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These

are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

#### 14. VIGIL MECHANISM

The Company has established a vigil mechanism named as Whistle Blower Policy within the Company. The policy of such mechanism has been circulated to all employees within the Company, which provides a framework to the employees for guided & proper utilization of the mechanism. The Whistle Blower Policy has been published on the Company's website <http://www.solvayindia.in/en/solvay-in/sunshield-chemical-limited>. There have been no instances of any personnel seeking access to the Audit Committee.

#### 15. SIGNIFICANT AND MATERIALS ORDERS PASSED BY THE REGULATORS/ COURTS/ TRIBUNALS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company's operations in future.

#### 16. AUDITORS

##### Statutory Auditors

The Statutory Auditors, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, hold office for a term of Five (5) years subject to ratification by members at every Annual General Meeting. Accordingly, a Resolution seeking Member's ratification for the appointment of M/s. Deloitte Haskins & Sells LLP is included at Item No. 4 of the Notice convening the Annual General Meeting.

They have issued necessary certificate as required under Section 141 of the Companies Act, 2013.

##### Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company has appointed M/s. Kishore

Bhatia & Associates, Cost Accountant as the Cost Auditor of the Company for the financial year 2016-17.

##### Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Alwyn D'Souza & Co., Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as Annexure B. The Report does not contain any qualification, reservation or adverse remark.

##### Internal Audit

M/s. Nikhil Narkar & Associates, Chartered Accountants has been appointed as Internal Auditor of the Company.

#### 17. COMMENTS ON AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by Deloitte Haskins & Sells LLP, Statutory Auditors, in their report and by Mr. Alwyn D'souza, Company Secretary in Practice, in his secretarial audit report.

#### 18. EXTRACT OF ANNUAL RETURN:

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

#### 19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not provided any loans, Guarantees or made investments under Section 186 of the Companies Act, 2013

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

All Related Party Transaction (RPT) entered into by the Company during the year under review were in the ordinary course of business and on arms' length basis.

All RPT are placed before the Audit Committee for its review and approval. Prior omnibus approval of the Audit Committee is obtained for transactions which are of repetitive nature. Pursuant to the provisions of the Listing Regulations 2015 as well as the Rule 6A of the Companies (Meetings of Board and its Power) Rules

2014, Audit Committee at its meeting held on 10<sup>th</sup> February 2016 had granted omnibus approval for the proposed RTP to be entered into during the year under review. Since there are no material RTP and also all the transactions with related parties are at arms' length and are in ordinary course of business, no transactions need to be reported in AOC-2.

## 21. FIXED DEPOSITS

The Company has not accepted any fixed deposits during the year.

## 22. SUBSIDIARY, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary or associates or joint ventures as on the date of this report. Therefore separate section for report on the performance and financial position of Subsidiaries, Associates and Joint Venture Companies is not required.

## 23. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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 of the Company to which the financial statements relate and the date of the report.

## 24. EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is annexed herewith as Annexure D.

## 25. SEXUAL HARASSMENT OF WOMEN AT WORK-PLACE

The status of complaints received from female employees with regard to sexual harassment during the year is as under:

Number of Complaints of sexual harassment received during the period April 2016 to March 2017	Number of complaints disposed off during the period April 2016 to March 2017	Nature of action taken by the employer
NIL	Not applicable	Not applicable

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

As required by Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, relevant data pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, is annexed herewith as Annexure E to this Report.

## 27. CORPORATE GOVERNANCE REPORT

Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 with respect to Corporate Governance report and certain regulations are not applicable to Sunshield Chemicals Limited ("Company"), since Company's paid-up Capital is less than ₹ 10 crores and net worth is less than ₹ 25 crores.

## 28. ENVIRONMENT, HEALTH AND SAFETY

Your Company recognizes importance of Health and Safety of its employees and its neighborhood. Regular Safety Audits are being conducted. Your Company has adopted a Health, Safety and Environment (HSE) Policy, which applies to all employees and activities.

## 29. APPRECIATION

Your Directors place on record their sincere appreciation of the wholehearted support extended by the Company's bankers, business associates, employees' union, shareholders, auditors and various statutory authorities, both, central and state Government.

**For and On Behalf of the Board of Directors**

**R L Shenoy**  
**Chairman**  
**DIN No. 0074761**

Mumbai, 26<sup>th</sup> May 2017

## Annexure A to Directors' Report

### Annual Report on Corporate Social Responsibility Activities

as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes:  
The present CSR initiatives focus promoting education and Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.  
The Company has framed the CSR Policy in compliance with the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014 and same is placed on the Company's website and web-link of same is <http://www.solvayindia.in/en/binaries/CSR%20Policy-222342.pdf>
2. The Composition of the CSR Committee:  
Mr. Ajit Shah, Mr. Manoj Khullar and Mr. Arun Roy
3. Average net profit of the Company for last three financial years:  
For the last two financial years the Company has made loss, as a result there is average loss of ₹ 67,65,735/- for the period from 2013-14 to 2015-16.
4. Prescribed CSR expenditure (two per cent of the amount as in item 3 above): Not Applicable
5. Details of CSR spend during the financial year:
  - a) Total amount to be spent for the financial year: Not Applicable
  - b) Amount unspent, if any: Not Applicable
  - c) Manner in which the amount spent during the financial year

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 or district where projects or programmes were undertaken	Amount outlay (Budget) projects or programmes wise	Amount spent on the projects or programmes (1) Direct expenditure on programmes or projects (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent : Directly or Through Implementing Agency
1	Distribution of notebooks to schools falling within jurisdiction of Group Grampanchayat Rasal	Promoting Education	State: Maharashtra Village: Rasal, Wave, Amboli, Jambhulpada	₹ 32,556	Direct Expenditure: ₹ 32,556	₹ 32,556	Directly by Company
2	Donated Mini-tempo to Group Gram-panchayat Rasal for lifting waste / garbage from surrounding villages	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	State: Maharashtra Surrounding villages near Company's Plant	₹ 1,77,972	Direct Expenditure: ₹ 1,77,972	₹ 2,10,538	Directly by Company

- 
6. In case the Company has failed to spent 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:

Not Applicable

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 CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

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

**Manoj Khullar**  
**Managing Director**  
**DIN No.06415392**

**Ajit Shah**  
**Chairman of the CSR Committee**  
**DIN No.02396765**

Mumbai, 26<sup>th</sup> May 2017



## Annexure B to Directors' Report

FORM No. MR.3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

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

To  
The Members,  
**Sunshield Chemicals Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sunshield Chemicals Limited** (CIN: L99999MH1986PLC041612) (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct and statutory compliance for the purpose of expressing our opinion thereon.

Based on the verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2017** complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and have required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) 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, if applicable;
- (vi) 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 - **Not Applicable**;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not Applicable**;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable**;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable**;
  - (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**;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable**;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not Applicable**;
- (vi) Other specific business/industry related laws applicable to the Company:

The Company has complied with specific applicable laws, rules, regulations and guidelines viz The Factories Act, 1948, The Petroleum Rules, 2002, Maharashtra Poison Rules, 1972, Static & Mobile pressure vessels (unfired) Rules 1981, The Indian Boilers Act 1923, The Water (Prevention & Control of Pollution) Act, 1974, Air (Prevention & Control of Pollution) Act, 1981, and Authorization under Hazardous Wastes (Management & Handling) Rules, 1989 and amendment Rules 2003 and applicable general business laws, rules, regulations and guidelines.

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with the BSE Limited and Securities and Exchange Board of India (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 subject to the following observation:

#### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors. No changes in the composition of the Board of Directors took place during the period under review.

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

The minutes of the Board Meetings have not identified any dissent by members of the Board, hence we have no reason to believe that the decisions by the Board were not approved by all the Directors present.

**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. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**We further report that** during the audit period no material events / actions have taken place that have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards.

Place : Mumbai  
Date : 26<sup>th</sup> May, 2017

Office Address :  
Annex-103, Dimple Arcade,  
Asha Nagar, Kandivli (E),  
Mumbai 400101.

**ALWYN D'SOUZA & Co.,**  
Company Secretaries

**[Alwyn P D'souza, FCS.5559]**  
[Proprietor]  
Certificate of Practice No.5137

## Annexure C to Directors' Report

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2017

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

FORM NO. MGT - 9

### 1. REGISTRATION AND OTHER DETAILS

CIN	L99999MH1986PLC041612
Registration Date	19 <sup>th</sup> November 1986
Name of The Company	Sunshield Chemicals Limited
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	Phoenix House, A Wing, 4 <sup>th</sup> Floor, 462, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013 Tel : 022 - 66637100 Fax: 022 - 24952834 Website: <a href="http://www.solvayindia.in">www.solvayindia.in</a> E-mail: <a href="mailto:investor.sunshield@solvay.com">investor.sunshield@solvay.com</a>
Whether listed Company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any.	<b>TSR Darashaw Limited</b> 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011. Tel : 022 - 66568484 Fax: 022 - 66568494 Website: <a href="http://www.tsrdarashaw.com">www.tsrdarashaw.com</a> E-mail. : <a href="mailto:csg-unit@tsrdarashaw.com">csg-unit@tsrdarashaw.com</a>

### 2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main products	NIC Code of the Product / service	% to total turnover of the Company
SUN THEIC	20119	38%
ALKOXYLATES	20119	38%
ANTIOXIDANT	20119	21%
MISCELLEANOUS	20119	3%

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

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
Rhodia Amines Chemicals Pte Ltd. 10 Collyer Quay, #10-01, Ocean Financial Centre, Singapore 049315	Foreign Company	Holding	62.36	2(46)

#### 4. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

##### i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year i.e 01.04.2016				No. of shares held at the end of the year i.e 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
b) Banks /FI	-	-	-	-	-	-	-	-	-
c) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (1A)</b>	-	-	-	-	-	-	-	-	-
<b>(2) Foreign</b>									
a) NRIs –Individuals	-	-	-	-	-	-	-	-	-
a) Other Individuals	-	-	-	-	-	-	-	-	-
b) Bodies Corporates	45,85,196	-	45,85,196	62.36	45,85,196	-	45,85,196	62.36	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (2A)</b>	<b>45,85,196</b>	-	<b>45,85,196</b>	<b>62.36</b>	<b>45,85,196</b>	-	<b>45,85,196</b>	<b>62.36</b>	-
<b>Total Shareholding of Promoter (A)=(A1)+(A2)</b>	<b>45,85,196</b>	-	<b>45,85,196</b>	<b>62.36</b>	<b>45,85,196</b>	-	<b>45,85,196</b>	<b>62.36</b>	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	700	700	0.01	-	700	700	0.01	-
b) Banks /FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	200	200	0.00	-	200	200	0.00	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

## Sunshield Chemicals Limited

### 4. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

#### i) Category-wise Share Holding cont.

Category of Shareholders	No. of shares held at the beginning of the year i.e 01.04.2016				No. of shares held at the end of the year i.e 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B1)</b>	-	<b>900</b>	<b>900</b>	<b>0.01</b>	-	<b>900</b>	<b>900</b>	<b>0.01</b>	-
<b>2. Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	2,28,441	22,000	2,50,441	3.40	2,27,526	22,000	2,49,526	3.39	-0.01
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Shareholders holding nominal share capital upto ₹ 1Lac	14,12,867	1,60,575	15,73,442	21.40	15,05,346	1,56,525	16,61,874	22.60	1.20
ii) Individual shareholders holding nominal share capital in excess of ₹1Lac	9,39,810	-	9,39,810	12.78	8,53,196	-	8,53,196	11.60	-1.18
c) Others - Director & Their Relatives	3,271	-	3,271	0.04	2,371	-	2,371	0.03	-0.01
<b>Sub-total (B2)</b>	<b>25,84,389</b>	<b>1,82,575</b>	<b>27,66,964</b>	<b>37.63</b>	<b>25,88,439</b>	<b>1,78,525</b>	<b>27,66,964</b>	<b>37.63</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B1)+(B2)</b>	<b>25,84,389</b>	<b>1,83,475</b>	<b>27,67,864</b>	<b>37.64</b>	<b>25,88,439</b>	<b>1,79,425</b>	<b>27,67,864</b>	<b>37.64</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A)+(B)+(C)</b>	<b>71,69,585</b>	<b>1,83,475</b>	<b>73,53,060</b>	<b>100</b>	<b>71,73,635</b>	<b>1,79,425</b>	<b>73,53,060</b>	<b>100</b>	<b>0.00</b>

**ii) Shareholding of Promoters**

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No. of shares	% of total shares of the Company	% of Shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	
Rhodia Amines Chemicals Pte Ltd.	45,85,196	62.36	Nil	45,85,196	62.36	Nil	Nil
<b>TOTAL</b>	<b>45,85,196</b>	<b>62.36</b>	<b>Nil</b>	<b>45,85,196</b>	<b>62.36</b>	<b>Nil</b>	<b>Nil</b>

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

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

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Asha Mukul Agrawal	184,913	2.51	1,93,236	2.63
Dipak Kanayalal Shah	153,000	2.08	1,54,000	2.09
India Infoline Limited	1,04,202	1.42	1,22,785	1.67
Lincoln P. Coelho	80,000	1.09	80,000	1.09
Jigney Bhachech HUF	36,532	0.50	38,519	0.52
Bipin Vadilal Gosalia	34,153	0.46	34,153	0.46
Haresh Shantichand Jhaveri	30,000	0.41	30,000	0.41
Dhaval Naresh Gosalia	24,920	0.34	24,660	0.34
Mangesh Mohan Hirve *	19,013	0.26	24,013	0.33
Navinchandra S. Shah	51,028	0.69	23,190	0.32
Dhanraj Poonamchand Veena #	56,853	0.77	23,076	0.31
Ashok Pandurang Patharkar #	48,317	0.66	108	0.00

## Sunshield Chemicals Limited

Note: The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

\* Not in the list of Top 10 shareholders as on 1<sup>st</sup> April 2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31<sup>st</sup> March 2017.

# Ceased to be in the list of Top 10 shareholders as on 31<sup>st</sup> March 2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 1<sup>st</sup> April 2016.

### v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Shareholding at the beginning of the year-1.04.2016		Cumulative Shareholding during the year - 31.03.2017	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>Mr. Satish Kelkar, Director</b>				
At the beginning of the year	1,000	0.01	1,000	0.01
At the end of the year	-	-	1,000	0.01

Note:

None of the other Directors and Key Managerial Personnel holds any shares in the Company as on 31<sup>st</sup> March 2017.

## 5. INDEBTEDNESS

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

(₹ In Lacs)

	Security Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2839.20	7275.88	-	10115.08
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	94.31	-	94.31
Total (I+II+III)	2839.20	7370.19	-	10209.39
Change in indebtedness during the financial year			-	
Addition	-	1257.07	-	1267.07
Reduction	1139.14	94.31	-	1233.46
Net Change	(1139.14)	1162.75	-	23.61
Indebtedness at the end of the financial year				
i) Principal Amount	1700.06	8434.47	-	10134.53
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	98.47	-	98.47
<b>Total(i+ii+iii)</b>	<b>1700.06</b>	<b>8532.94</b>	<b>-</b>	<b>10233.00</b>

## 6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in Lacs

Sl. No.	Particulars of Remuneration	Mr. Manoj Khullar Managing Director	Total Amount
1.	Gross Salary		
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	0.12	0.12
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission As % of profit	Nil	Nil
5.	Others, please specify	Nil	Nil
	<b>Total (A)</b>	<b>0.12</b>	<b>0.12</b>

### B. Remuneration to other Directors:

#### 1. Independent Director

₹ in Lacs

Particulars of Remuneration	Name of Directors			Total Amount
	Mr. Sanjeev Mukerjee	Mr. Ajit Shah	Mr. R. L. Shenoy	
Fee for attending Board/ Committee meetings	3.20	3.60	3.20	10.00
Commission	Nil	Nil	Nil	Nil
Others, please specify	Nil	Nil	Nil	Nil
<b>Total (B) (1)</b>				<b>10.00</b>



## Sunshield Chemicals Limited

### 2. Other Non-Executive Director

₹ in Lacs

Particulars of Remuneration	Name of Directors	Total Amount
	Mr. Satish Kelkar	
Fee for attending Board/Committee meetings	2.40	2.40
Commission	Nil	Nil
Others – Advisor Fees	4.68	4.68
Total (B) (2)		7.08
Total (B) = (B)(1) + (B)(2)		<b>17.08</b>

Note: Other Non-executive Directors of the Company are not paid any remuneration

### C. Remuneration to Key Managerial personnel other than MD/Manager/WTD

₹ in Lacs

Particulars of Remuneration	Key Managerial Personnel		
	Company Secretary	Chief Financial Officer	Total
Gross Salary			
a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	8.90	10.67	19.57
b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
Stock Option	Nil	Nil	Nil
Sweat Equity	Nil	Nil	Nil
Commission - as % of profit	Nil	Nil	Nil
Others, please specify	Nil	Nil	Nil
<b>Total</b>	<b>8.90</b>	<b>10.67</b>	<b>19.57</b>

### 7. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences under any sections of the Companies Act, 2013 against the Company or its Directors or other Officers in default, if any, during the year.

## Annexure D to the Directors' Report

### Particulars of Employees

#### 1. Information as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Ratio of remuneration of Director to median remuneration of employees	% increase in Remuneration in the Financial Year 2016-17
1	Mr. R L Shenoy Non-Executive Director	0.83	Nil
2	Mr. Sanjeev Mukerjee Non-Executive Director	0.83	Nil
3	Mr. Ajit Shah Non-Executive Director	0.94	Nil
4	Mr. Satish Kelkar Non-Executive Director	1.84	(76.89)
5	Mr. Manoj Khullar Managing Director	0.03	Nil

Other Non-executive Directors viz., Mr. Arun Roy, Mr. Ian Brown, Ms. Sze Wee Ong and Ms. Valdirene Licht are not paid any remuneration from the Company.

The percentage increase in remuneration of the Chief Financial Officer and of the Company Secretary is 10%.

- ii. The median remuneration of employees of the Company during the financial year was ₹ 3.84 lacs per annum.
- iii. In the financial year, there was an increase of 10% in the median remuneration of employees.
- iv. 98 persons were on the rolls of Company as on 31<sup>st</sup> March 2017.
- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The percentage increase in the salaries of employees other than the managerial personnel in the last financial year is on an average of 10% on a cost to Company basis. The average increase in remuneration is not based on Company's performance alone. The increment given to each individual employee is based on his qualification, experience, nature of job, industry benchmark, earlier salary and many other factors, comparison of one against the other is not feasible.

- vi It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

## Sunshield Chemicals Limited

### 2. Information as per Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Details of Top Ten Employees of the Company:

Name	Designation	Gross Remuneration Subject to Tax (₹ In Lacs)	Qualification	Age & Experience (years)	Date of Commencement of employment	Last Employment held, Designation and Organization
Chidananda Bhagwat	Operation Manager	38.69	B.Sc. Tech (Technology of Intermediates and Dyes) and Bachelor degree in Science in the field of Chemistry and Diploma in Business Administration	43/20	20.01.2014	BASF Limited – Country Lead
M K Srivatsa	Production Manager	16.76	B.E (Chemical)	47/24	23.05.2016	Nocil Limited- Senior Manager- Production
Balvant Singh	Senior Process Chemist	11.50	Ph. D. in Synthetic organic chemistry from UDCT	33/4	29.12.2014	Not Applicable
Nilesh Awasare	Maintenance Manager	11.18	B. Tech. in Electrical	36/15	16.11.2015	Akzo Nobel India Limited - Assistant Manager – Maintenance & Projects
Kunal Kale	Assistant Manager Instrumentation	10.81	M.Sc.	34/11	01.10.2014	Emerson Export Engineering Centre- Senior Online Project Engineer
Rajeev Gupte	Chief Financial Officer	10.80	B.Com & ACA	59/30	01.03.2004	Vishudha Rasyanee Private Limited – Finance Controller
Samir Mehta	Purchase Manager	9.73	B.Com.	45/20	01.07.2008	SBS Colours Private Limited - Logistics Manager
Shekhar Pattekar	Factory Manager	9.30	B.Sc.	57/35	01.04.1982	Not Applicable
Amit Kumashi	Company Secretary	9.02	B.Com., ACS & LLB	34/10	02.06.2008	Not Applicable
Makrand Khodagale	Plant Manager - Anti-oxidants	8.98	B. Tech in Chemical Engineering	39/16	01.04.2010	Sun Petrochemical Private Limited – Shift In-charge

There were no employee who was drawing remuneration exceeding ₹1.02 Crores per annum and thus no particulars are to be given under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## Annexure E to Directors' Report

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

as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

#### CONSERVATION OF ENERGY:

The Company has always been conscious of the need to conserve energy. The Company is continuously identifying areas where energy can be saved and appropriate measures have been taken for optimizing energy conservation.

- a) The steps taken or impact on conservation of energy:
  1. Installed 29 nos On/Off push button to all vessel lamp for reactors & batch tanks Now vessel lamp will glow on only when required instead of continuous. Savings - 1740 kwh/Month
  2. UI vacuum pump cooling tower pump by pass by making modification in pipe lines. Savings – 1540 kwh/month
  3. Sun vapor lamps fittings replaced with LED lights for new installations.
  4. Installed human occupancy sensors to switch on – off lights in IMCC and toilet areas.
  5. Installed timer for all street light to save unnecessary running of lights. It works automatically.
  6. Solwatt Programme is live at site to identifying and implementation of energy savings potential plan in various areas at site.
  7. Procurement of energy efficient motors (IE 1,2) is initiated at site for new requirements.
- b) The steps taken by the Company for utilising alternate sources of energy:  
NIL
- c) The capital investment on energy conservation equipment:  
Nil

#### TECHNOLOGY ABSORPTION:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation: N.A.
2. Benefits derived as a result of the above efforts: e.g. product improvement, cost reduction, product development, import substitution, etc.: N. A.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished :
  - a) Technology imported
  - b) Year of Import
  - c) Has the technology been fully absorbed?
  - d) If not fully absorbed, areas where this has not taken place, reason there of, and future plans of action.

}

Not Applicable as no Imported technology is put to use
4. Expenditure on R & D : (In ₹)
  - a) Capital
  - b) Recurring
  - c) Total
  - d) Total R & D Expenditure as percentage of turnover

}

Nil

#### FOREIGN EXCHANGE EARNINGS AND OUTGO:

On account of activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and new export plans, the total foreign exchange used and earned is as follows:-

( ₹ in Lacs)

	2016-17	2015-16
i) Total foreign exchange used	<b>4260.80</b>	4464.13
ii) Total foreign exchange earned	<b>8139.67</b>	8211.23

## INDEPENDENT AUDITORS' CERTIFICATE

### TO THE MEMBERS OF SUNSHIELD CHEMICALS LIMITED

#### Report on the Financial Statements

1. We have audited the accompanying financial statements of SUNSHIELD CHEMICALS LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

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

In conducting 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 thereunder.

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

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

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

#### 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, and its loss and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the 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 in accordance with the

generally accepted accounting principles – also refer Note 25.1 (i) to the financial statements.

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – also refer Note 25.13 (a) to the financial statements.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8<sup>th</sup> November, 2016 of the Ministry of Finance, during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Regn. No. 117366W/W-100018)

**Ketan Vora**  
Partner  
Membership Number: 100459

Mumbai, May 26, 2017

## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of SUNSHIELD CHEMICALS LIMITED ("the Company") as of 31<sup>st</sup> March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- 
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Regn. No. 117366W/W-100018)

**Ketan Vora**  
Partner  
Membership Number: 100459

Mumbai, May 26, 2017



**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds provided to us, we report that, the title deeds, comprising all the immovable properties of lands which are freehold and building thereof are in the name of the Company.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (iv) of CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year.
- (vi) The maintenance of cost records has been prescribed by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the Act and are of the opinion

that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and any other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable.
- (c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on 31<sup>st</sup> March, 2017 on account of disputes except as given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates (₹ in Lacs)	Amount Involved (Net of amount paid under protest) (₹ in Lacs)	Amount paid under protest (₹ in Lacs)
Income Tax Act, 1961	Income Tax including Interest	Commissioner of Income Tax(Appeals)	Assessment Year 2011-2012	2.48	-
Income Tax Act, 1961	Income Tax including Interest	Commissioner of Income Tax(Appeals)	Assessment Year 2012-2013	2.38	-
Income Tax Act, 1961	Income Tax including Interest	Commissioner of Income Tax(Appeals)	Assessment Year 2013-2014	4.61	-

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates (₹ in Lacs)	Amount Involved (Net of amount paid under protest) (₹ in Lacs)	Amount paid under protest (₹ in Lacs)
Income Tax Act, 1961	Income Tax including Interest	Commissioner of Income Tax (Appeals)	Assessment Year 2014-2015	137.1	-
Central Excise Act, 1944	Excise Duty including Penalty	Customs, Excise and Service Tax Appellate Tribunal	Assessment Year 1997-98	45.03	-
Finance Act, 1944	Service Tax including Penalty	Assistant Commissioner of Service Tax	Assessment Year 2014-15	5.11	-
Maharashtra Value Added Tax Act, 2002	Value Added Tax including interest	Joint Commissioner of Sales Tax (Appeals)	2006-2007	25.56	-
Central Sales Tax Act, 1956	Sales Tax including interest and penalty	Joint Commissioner of Sales Tax (Appeals)	2006-2007	607.21	5.00
Central Sales Tax Act, 1956	Sales Tax	Joint Commissioner of Sales Tax (Appeals)	2007-2008	78.09	7.50
Maharashtra Value Added Tax Act, 2002	Value Added Tax including interest	Joint Commissioner of Sales Tax (Appeals)	2009-2010	141.07	-
Central Sales Tax Act, 1956	Sales Tax including interest and penalty	Joint Commissioner of Sales Tax (Appeals)	2009-2010	378.65	0.01

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The company has not taken any loans or borrowings from financial institutions and government. The Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of CARO 2016 is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Regn. No. 117366W/W-100018)

**Ketan Vora**  
Partner

Membership Number: 100459

Mumbai, May 26, 2017

## Sunshield Chemicals Limited

### Balance Sheet as at 31 March 2017

Particulars	Note No.	As at March 31, 2017 ₹ in Lacs	As at March 31, 2016 ₹ in Lacs
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	3	735.31	735.31
(b) Reserves and surplus	4	400.69	944.77
		<b>1,136.00</b>	<b>1,680.08</b>
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	5	4,225.59	5,961.94
(b) Deferred tax liabilities (net)	6	-	139.43
(c) Other Long-term liabilities	7	284.78	125.29
(d) Long-term provisions	8	83.59	102.98
		<b>4,593.96</b>	<b>6,329.64</b>
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	9	4,100.06	4,139.20
(b) Trade payables	10		
Total outstanding dues of			
i) Micro enterprises and small enterprises		46.21	38.70
ii) Creditors other than micro enterprises and small enterprises		2,131.07	2,464.51
(c) Other current liabilities	11	2,094.87	419.06
(d) Short-term provisions	12	11.48	9.50
		<b>8,383.69</b>	<b>7,070.97</b>
	<b>TOTAL</b>	<b>14,113.65</b>	<b>15,080.69</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant & Equipment	13	7,392.69	7,927.19
(b) Capital work-in-progress		307.86	150.88
(c) Long-term loans and advances	14	486.98	545.45
		<b>8,187.53</b>	<b>8,623.52</b>
<b>(2) Current assets</b>			
(a) Inventories	15	2,247.85	2,766.70
(b) Trade receivables	16	2,751.62	2,565.71
(c) Cash and cash equivalents	17	124.02	212.16
(d) Short-term loans and advances	18	802.63	912.60
		<b>5,926.12</b>	<b>6,457.17</b>
	<b>TOTAL</b>	<b>14,113.65</b>	<b>15,080.69</b>

See accompanying notes forming part of the financial statements

In terms of our report of even date  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

For and on behalf of the Board of Directors  
**Sunshield Chemicals Limited**

**Ketan Vora**  
Partner

**R. L. Shenoy**  
Chairman  
(DIN No.0074761)

**Ajit Shah**  
Director  
(DIN No.02396765)

**Manoj Khullar**  
Managing Director  
(DIN No.06415392)

Mumbai, 26<sup>th</sup> May 2017

**Rajeev Gupte**  
Chief Financial Officer

**Amit Kumashi**  
Company Secretary

## Statement of Profit and Loss for the year ended 31 March 2017

Particulars	Note No.	For the year ended March 31, 2017 ₹ in Lacs	For the year ended March 31, 2016 ₹ in Lacs
<b>I. Income</b>			
Revenue from operations	19(a)		
Sale of products (gross)		17,345.38	15,647.37
Less: Excise duty		985.93	830.39
Sale of products (net)		16,359.45	14,816.98
Sale of services			
- Processing charges	19(b)	136.80	120.23
Other operating income	19(c)	26.54	85.58
		16,522.79	15,022.79
<b>II. Other income</b>	20	21.77	304.14
<b>III. Total Revenue (I+II)</b>		16,544.56	15,326.93
<b>IV. Expenses</b>			
Cost of materials consumed	21(a)	10,931.73	10,578.49
Purchase of stock-in-trade	21(b)	-	2.18
Changes in inventories of finished goods, work-in-progress & stock in trade	21(c)	425.83	(520.73)
Employee benefit expense	22	664.65	667.44
Finance costs	23	945.98	1,079.66
Depreciation expense	13	598.44	548.36
Other expenses	24	3,661.44	3,314.68
<b>Total Expenses</b>		17,228.07	15,670.08
<b>V. Loss before tax (III - IV)</b>		(683.51)	(343.15)
<b>VI. Less : Tax expense</b>			
Current Tax Expenses		-	4.54
Less: Minimum Alternate Tax credit		-	-
		-	4.54
Deferred tax (credit)/charge		(139.43)	(263.14)
		(139.43)	(258.60)
<b>VII. Loss after tax</b>		(544.08)	(84.55)
<b>VIII. Earnings per share</b>			
[Nominal value of share ₹10 (Previous year ₹10)]	25.11		
Basic		(7.40)	(1.15)
Diluted		(7.40)	(1.15)

See accompanying notes forming part of the financial statements

In terms of our report of even date  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

For and on behalf of the Board of Directors  
**Sunshield Chemicals Limited**

**Ketan Vora**  
Partner

**R. L. Shenoy**  
Chairman  
(DIN No.0074761)

**Ajit Shah**  
Director  
(DIN No.02396765)

**Manoj Khullar**  
Managing Director  
(DIN No.06415392)

Mumbai, 26<sup>th</sup> May 2017

**Rajeev Gupte**  
Chief Financial Officer

**Amit Kumashi**  
Company Secretary

**Cash Flow Statement for the year ended 31 March 2017**

Particulars	Year ended March 31, 2017 ₹ in Lacs	Year ended March 31, 2016 ₹ in Lacs
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before Tax	(683.51)	(343.15)
Adjustments for non-cash item / items required to be disclosed separately:		
Depreciation expense	598.44	548.36
Interest Income	(4.48)	(11.08)
Liabilities / Provisions no longer required written back	(13.76)	(57.24)
Profit on sale of fixed assets	(3.53)	(6.62)
Profit on Sale of Assets held for sale	-	(117.00)
Fixed assets written off	176.31	59.94
Finance Cost	945.98	1,079.66
Write back of provision for doubtful debts	-	(8.05)
Write off of Minimum Alternate Tax credit receivable	-	211.79
Provision for doubtful debts	14.61	-
Unrealised foreign exchange gain (net)	(16.37)	(7.73)
Incremental sales tax deferral	5.35	4.35
	<u>1,702.55</u>	<u>1,696.38</u>
<b>Operating Profit before changes in Working Capital</b>	<b>1,019.04</b>	<b>1,353.23</b>
<b>Adjustments for changes in Working Capital and Provisions:</b>		
Increase in Trade Receivables	(180.40)	(1,348.69)
Decrease/ (Increase) in Inventories	518.85	(732.58)
Decrease/ (Increase) in Short Term & Long Term Loans and Advances	101.62	(146.04)
(Decrease) / Increase in short and long term Provisions	(17.41)	27.91
(Decrease) / Increase in Other Current Liabilities	(46.95)	29.58
(Decrease) / Increase in Trade Payables	(248.17)	893.48
	<u>127.56</u>	<u>(1,276.34)</u>
<b>Cash Generated from Operations</b>	<b>1,146.60</b>	<b>76.89</b>
Income-tax paid	14.55	(8.78)
<b>Net Cash flow from Operating Activities</b>	<b>1,161.15</b>	<b>68.11</b>
<b>(B) CASH FROM INVESTING ACTIVITIES</b>		
Capital Expenditure on Fixed Assets including Capital Advances	(336.82)	(2,258.53)
Interest Received	4.48	11.08
Proceeds from sale of asset held for sale	-	544.50
Proceeds from sale of Fixed Assets	4.24	12.44
<b>Net Cash generated from / (used in) Investing Activities</b>	<b>(328.10)</b>	<b>(1,690.51)</b>
	<b>833.05</b>	<b>(1,622.40)</b>
<b>(C) CASH FROM FINANCING ACTIVITIES</b>		
Interest Paid	(837.52)	(667.29)
Proceeds from Long Term Borrowings	-	1,584.93
Repayment from Long Term Borrowings	(7.74)	-

## Cash Flow Statement for the year ended 31 March 2017 (continued)

Particulars	Year ended March 31, 2017 ₹ in Lacs	Year ended March 31, 2016 ₹ in Lacs
Proceeds from Short Term Borrowings	1,400.00	927.15
Repayment of Short Term Borrowings	(1,439.14)	-
Deferred Sales Tax Installments Paid	<u>(36.79)</u>	<u>(28.46)</u>
<b>Net Cash generated from / (used in) Financing Activities</b>	<u>(921.19)</u>	<u>1,816.33</u>
<b>Net Increase/(decrease) in Cash and cash equivalents (A+B+C)</b>	<u>(88.14)</u>	<u>193.93</u>
Cash and cash equivalents on 31.03.2016	<u>212.16</u>	<u>18.23</u>
Cash and cash equivalents on 31.03.2017	<b>124.02</b>	212.16

In terms of our report of even date  
**For Deloitte Haskins & Sells LLP**  
 Chartered Accountants

**Ketan Vora**  
 Partner

Mumbai, 26<sup>th</sup> May 2017

For and on behalf of the Board of Directors  
**Sunshield Chemicals Limited**

**R. L. Shenoy**  
 Chairman  
 (DIN No.0074761)

**Rajeev Gupte**  
 Chief Financial Officer

**Ajit Shah**  
 Director  
 (DIN No.02396765)

**Manoj Khullar**  
 Managing Director  
 (DIN No.06415392)

**Amit Kumashi**  
 Company Secretary

### Notes forming part of the financial statements

#### 1 Corporate information

Sunshield Chemicals Limited ('the Company') was incorporated in India on 19<sup>th</sup> November 1986. The Company is engaged in manufacture and sale of Speciality Chemicals in domestic and international markets.

#### 2 Significant accounting policies

##### 2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

##### 2.2 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 recognised in the periods in which the results are known / materialise.

##### 2.3 Inventories

Inventories are valued at the lower of cost (weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

##### 2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

##### 2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

##### 2.6 Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support, etc.:

General plant and machinery - 18 years

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## Notes forming part of the financial statements (Continued)

### 2.7 Revenue recognition

#### Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales include excise duty but exclude sales tax and value added tax.

#### Income from services

Service income is recognised as per the terms of the contract when the related services are rendered.

### 2.8 Other income

Interest income is accounted on accrual basis.

### 2.9 Fixed Assets (Tangible / Intangible)

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

#### Capital work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

### 2.10 Foreign currency transactions and translations

#### Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

#### Measurement at the balance sheet date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

#### Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

#### Accounting for forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

### 2.11 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Cost of investments include acquisition charges such as brokerage, fees and duties.



### Notes forming part of the financial statements (Continued)

#### 2.12 Employee benefits

(i) **Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period as an expense as the related service is rendered by employees.

(ii) **Post Employment Benefits:**

(a) **Defined Contribution Plans**

Contributions to the recognized statutory Provident Fund, which is a defined contribution scheme, are charged to the Statement of Profit and Loss in the period in which the liability is incurred.

(b) **Defined Benefit Plans**

Provision for gratuity, which is a defined benefit plan, is made on the basis of an actuarial valuation carried out by an independent actuary at the balance sheet date and is funded through a scheme administered by the LIC. The actuarial valuation is done using the 'Project Unit Credit Method'. The discount rates used for determining the present value of the defined benefit obligation, are based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

(iii) **Other Long-term employment benefits:**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date. The discount rates used for determining the present value of the defined benefit obligation are based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

#### 2.13 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

#### 2.14 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

#### 2.15 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

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## Notes forming part of the financial statements (Continued)

### 2.16 Earnings per share

Basic and diluted earnings per share are computed by dividing the net profit/ (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the period.

### 2.17 Taxes on income

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

#### Minimum Alternate Tax

In accordance with the Guidance Note issued by the Institute of Chartered Accountants of India ('ICAI') on accounting for credit available in respect of Minimum Alternate Tax (MAT) under the Income Tax Act, 1961, the Company recognises MAT credit as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

### 2.18 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

### 2.19 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

### 2.20 Derivative contracts

The Company enters into derivative contracts in the nature of foreign currency swaps with an intention to hedge its existing liabilities in foreign currency. Derivative contracts which are closely linked to the existing liabilities are accounted as per the policy stated for Foreign currency transactions and translations. All derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

## Sunshield Chemicals Limited

### Notes forming part of the financial statements as at 31 March 2017

#### Note 3 Share capital

Particulars	As at 31 March 2017		As at 31 March 2016	
	No. of Shares	₹ In Lacs	No. of Shares	₹ In Lacs
(a) <b>Authorised:</b>				
Equity shares of ₹ 10/- each with voting rights	1,50,00,000	1,500	1,50,00,000	1,500
7% Non Cumulative Redeemable Preference Shares of ₹ 10/- each	50,00,000	500	50,00,000	500
	<u>2,00,00,000</u>	<u>2,000</u>	<u>2,00,00,000</u>	<u>2,000</u>
(b) <b>Issued, Subscribed and fully Paid-up</b>				
Equity shares of ₹ 10/- each fully paid-up with voting rights	<u>73,53,060</u>	<u>735.31</u>	<u>73,53,060</u>	<u>735.31</u>

#### (c) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Equity shares	As at 31 March 2017		As at 31 March 2016	
	No. of Shares	₹ In Lacs	No. of Shares	₹ In Lacs
Opening Balance	73,53,060	735.31	73,53,060	735.31
Add: Fresh Issued during the year	-	-	-	-
Closing Balance	<u>73,53,060</u>	<u>735.31</u>	<u>73,53,060</u>	<u>735.31</u>

#### (d) Terms/Rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 per share. Accordingly, all equity shares rank equally with regard to dividend and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (e) Details of Equity Shares held by the Holding Company:

Particulars	As at 31 March 2017		As at 31 March 2016	
	No. of Shares		No. of Shares	
Rhodia Amines Chemicals Pte. Limited (Holding Company)	45,85,196		45,85,196	

#### (f) Details of Shareholders holding more than 5% equity shares in the Company:

Particulars	As at 31 March 2017		As at 31 March 2016	
	No. of Shares	% holding	No. of Shares	% holding
Rhodia Amines Chemicals Pte. Limited (Holding Company)	45,85,196	62.36%	45,85,196	62.36%

**Notes forming part of the financial statements as at 31 March 2017 (Continued)**
**Note 4 Reserves and surplus**

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
(a) Capital Reserves	453.56	453.56
(b) Securities Premium Account	883.10	883.10
(c) Surplus/(Deficit) in Statement of Profit and loss		
Opening Balance	(391.89)	(307.34)
Add : Loss for the year	(544.08)	(84.55)
Closing Balance	<u>(935.97)</u>	<u>(391.89)</u>
	<u>400.69</u>	<u>944.77</u>

**Note 5 Long-term borrowings**

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
Unsecured		
(a) Term Loan		
- From Banks (Refer (i) below)	-	1,700.00
(b) Deferred payment liabilities		
- Interest free sales tax loan 1993 scheme (Refer (ii) below)	52.68	84.11
(c) Loans and Advances from related party (Refer (iii) below)	<u>4,172.91</u>	<u>4,177.83</u>
	<u>5,225.59</u>	<u>5,961.94</u>

	Particulars	Present Rate of Interest	Terms of Repayment	Outstanding as on 31 March 2017 ₹ in Lacs	Current maturities of long-term borrowings as on 31 March 2017 ₹ in Lacs	Outstanding as on 31 March 2016 ₹ in Lacs	Current maturities of long-term borrowings as on 31 March 2016 ₹ in Lacs
(i)	Term loan from BNP Paribas Bank is secured against a corporate guarantee from Rhodia S.A France, a subsidiary of the ultimate holding company	10.30%	Bullet payment in 2018	-	1,700.00	1,700.00	-
(ii)	Interest free sales tax loan 1993 scheme	-	Predetermined yearly installment repayable till 2021	86.64	33.96	120.89	36.78
(iii)	External Commercial Borrowing (ECB) taken from Solvay Finance Ireland a subsidiary of Solvay S.A. Belgium, the ultimate holding company	3.20%	5 years from the date of utilisation of respective drawdown, the maturity dates ranges from November 2018 to February 2020	4,172.91	-	4,249.62	71.79

## Sunshield Chemicals Limited

### Notes forming part of the financial statements as at 31 March 2017 (Continued)

#### Note 6 Deferred tax liabilities (net)

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
<b>Deferred tax liability</b>		
On difference between book balance and tax balance of fixed assets	775.42	909.74
<b>Deferred tax assets (Refer (i) below)</b>		
Disallowance under section 43(B) / 40 (a) of Income tax Act, 1961	12.69	50.93
Unabsorbed Depreciation and unabsorbed business loss carried forward	762.73	697.01
Provision on inventories	-	22.37
	<u>-</u>	<u>139.43</u>

(i) In the absence of virtual certainty regarding availability of sufficient future taxable income, the recognition of deferred tax assets is restricted to the amount of closing deferred tax liability.

#### Note 7 Other Long-term liabilities

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
Interest accrued but not due on borrowings	284.78	125.29
	<u>284.78</u>	<u>125.29</u>

#### Note 8 Long-term provisions

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
Provision for employee benefits:		
(a) Provision for Compensated absences	57.55	48.84
(b) Provision for Gratuity (Refer Note 25.10)	26.04	54.14
	<u>83.59</u>	<u>102.98</u>

#### Note 9 Short-term borrowings

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
(a) Loans repayable on demand from banks		
i) Overdraft facilities (Refer (i) below)	0.06	139.20
ii) Working capital Demand Loan (Refer (i) below)	-	1,000.00
(b) Loans and advances from related party (Refer (ii) below)	4,100.00	3,000.00
	<u>4,100.06</u>	<u>4,139.20</u>

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**Notes forming part of the financial statements as at 31 March 2017 (Continued)**


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**Loan particulars**

- (i) Secured by a corporate guarantee from Rhodia S.A. France, a subsidiary of ultimate holding company
- (ii) Loan from Solvay Specialities India Pvt. Ltd., a fellow subsidiary of Sunshield Chemicals Limited
- 

**Note 10 Trade payables**

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
(a) Total outstanding dues of micro and small enterprises (Refer Note 25.2)	46.21	38.70
(b) Total outstanding dues of other than micro and small enterprises	2,131.07	2,464.51
	<u>2,177.28</u>	<u>2,503.21</u>

**Note 11 Other current liabilities**

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
(a) Current maturities of long term debts (Refer Note 5)	1,733.96	36.78
(b) Interest accrued but not due on borrowings	119.52	170.55
(c) Other Payables		
- Statutory remittances (Contributions to PF, withholding taxes, Excise Duty, Customs Duty, etc.)	173.36	157.57
- Payables on purchase of fixed assets	55.12	46.27
- Advance from customers	12.91	7.89
	<u>2,094.87</u>	<u>419.06</u>

**Note 12 Short- term provisions**

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
Provision for employee benefits		
Provision for Compensated absences	11.48	9.50
	<u>11.48</u>	<u>9.50</u>

## Sunshield Chemicals Limited

### Notes forming part of the financial statements as at 31 March 2017 (Continued)

#### Note 13 Property, Plant & Equipment

₹ In Lacs

Description	Gross Block (At cost)			Depreciation				Net Block	
	As at 01-Apr-16	Additions	Deductions	As at 31-Mar-17	As at 01-Apr-16	For the year	Deductions	As at 31-Mar-17	As at 31-Mar-17
Freehold Land	<b>76.82</b> (9.19)	- (67.78)	- (0.15)	<b>76.82</b> (76.82)	- (-)	- (-)	- (-)	- (-)	<b>76.82</b> (76.82)
Building	<b>1,698.27</b> (507.80)	<b>11.86</b> (1,190.47)	- (-)	<b>1,710.13</b> (1,698.27)	<b>267.34</b> (202.16)	<b>69.99</b> (65.18)	- (-)	<b>337.33</b> (267.34)	<b>1,372.80</b> (1,430.93)
Plant & Equipment	<b>8,610.10</b> (4,627.35)	<b>220.68</b> (4,093.32)	<b>(306.87)</b> (110.57)	<b>8,523.91</b> (8,610.10)	<b>2,313.40</b> (1,908.83)	<b>476.89</b> (449.53)	<b>(129.85)</b> (44.96)	<b>2,660.44</b> (2,313.40)	<b>5,863.47</b> (6,296.70)
Office Equipment	<b>1.49</b> (1.49)	<b>1.18</b> (-)	- (-)	<b>2.67</b> (1.49)	<b>0.67</b> (0.37)	<b>0.01</b> (0.30)	- (-)	<b>0.68</b> (0.67)	<b>1.99</b> (0.82)
Computers	<b>181.98</b> (84.56)	<b>7.23</b> (113.32)	- (15.90)	<b>189.21</b> (181.98)	<b>62.61</b> (46.00)	<b>50.83</b> (32.51)	- (15.90)	<b>113.44</b> (62.61)	<b>75.77</b> (119.37)
Furniture & Fixtures	<b>76.27</b> (76.27)	- (-)	- (-)	<b>76.27</b> (76.27)	<b>76.22</b> (76.09)	- (0.13)	- (-)	<b>76.22</b> (76.22)	<b>0.05</b> (0.05)
Vehicles	<b>5.65</b> (5.65)	- (-)	- (-)	<b>5.65</b> (5.65)	<b>3.15</b> (2.44)	<b>0.71</b> (0.71)	- (-)	<b>3.86</b> (3.15)	<b>1.79</b> (2.50)
<b>Total</b>	<b>10,650.58</b>	<b>240.95</b>	<b>(306.87)</b>	<b>10,584.66</b>	<b>2,723.39</b>	<b>598.43</b>	<b>(129.85)</b>	<b>3,191.97</b>	<b>7,392.69</b>
Previous year	(5,312.31)	(5,464.89)	(126.62)	(10,650.58)	(2,235.89)	(548.36)	(60.86)	(2,723.39)	(7,927.19)

Previous year's figures are in brackets

#### Note 14 Long- term loans and advances

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
<b>Unsecured, considered Good</b>		
(a) Capital Advances	<b>3.50</b>	55.76
(b) Security Deposits	<b>34.33</b>	34.67
(c) Tax payments less provisions	<b>115.14</b>	129.69
(d) Balances with Government authorities		
- Value Added Tax credit receivable	<b>313.95</b>	307.86
- Revenue Deposit receivable	<b>6.56</b>	3.97
- Value Added Tax paid under protest	<b>13.50</b>	13.50
	<b>486.98</b>	545.45

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**Notes forming part of the financial statements as at 31 March 2017 (Continued)**
**Note 15 Inventories**

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
(Valued at the lower of cost and net realisable value)		
(a) Raw materials [includes Goods in transit ₹ 138.92 Lacs (previous year ₹ 19.28 Lacs)]	773.42	866.39
(b) Packing materials	58.74	57.05
(c) Work-in-progress	70.63	87.62
(d) Finished goods [includes Goods in transit ₹ 473.26 Lacs (previous year ₹ Nil Lacs)]	1,242.90	1,649.56
(e) Stock-in-trade	-	2.18
(f) Stores and spares	102.16	103.90
	<u>2,247.85</u>	<u>2,766.70</u>

**Note 16 Trade receivables**

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
(a) Trade receivable outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	-	13.62
Doubtful	18.32	3.71
Less: Provision for doubtful trade receivables	18.32	3.71
	-	13.62
(b) Others		
Unsecured, considered good	2,751.62	2,552.09
	<u>2,751.62</u>	<u>2,565.71</u>

**Note 17 Cash and cash equivalents**

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
(a) Balance with banks		
- in current accounts	123.84	211.72
(b) Cash on hand	0.18	0.44
	<u>124.02</u>	<u>212.16</u>



## Sunshield Chemicals Limited

### Notes forming part of the financial statements as at 31 March 2017 (Continued)

#### Note 18 Short- term loans and advances

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
Unsecured, considered good - others		
(a) Loans and advances to employees	27.07	5.70
(b) Prepaid Expenses	18.07	14.09
(c) Balance with government authorities		
- Cenvat credit receivable, etc.	576.15	478.42
- Excise duty recoverable from excise department	63.32	67.07
- Duty Drawback Receivable	30.90	21.02
(d) Others		
Advances to suppliers of goods and services	87.12	326.30
	<u>802.63</u>	<u>912.60</u>

#### Note 19 Revenue from operations

Particulars	For the year ended 31 March 2017 ₹ In Lacs	For the year ended 31 March 2016 ₹ In Lacs
(a) <b>Sale of products</b>		
Finished goods	17,345.38	15,647.37
Less: Excise duty	985.93	830.39
Sale of products (net) (Refer note 25.4)	<u>16,359.45</u>	<u>14,816.98</u>
(b) <b>Sale of services</b>		
Processing charges	136.80	120.23
(c) <b>Other operating income</b>		
Scrap sales [Net of excise duty ₹1.47 Lacs, (Previous year ₹ 4.82 Lacs)]	16.66	64.56
Duty Drawback	9.88	21.02
	<u>26.54</u>	<u>85.58</u>
	<u>16,522.79</u>	<u>15,022.79</u>

**Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)**
**Note 20 Other income**

Particulars	For the year ended 31 March 2017 ₹ In Lacs	For the year ended 31 March 2016 ₹ In Lacs
(a) Interest income		
- On deposits from banks	4.48	8.53
- Others	-	2.55
(b) Service fees recovered	-	18.33
(c) Profit on sale of asset held for sale	-	117.00
(d) Profit on sale of other fixed assets	3.53	6.62
(e) Liabilities / provisions no longer required written back	13.76	57.24
(f) Net gain on foreign currency transactions and translation	-	85.82
(g) Write back of provision for doubtful debts	-	8.05
	21.77	304.14

**Note 21 (a) Cost of materials consumed**

Particulars	For the year ended 31 March 2017 ₹ In Lacs	For the year ended 31 March 2016 ₹ In Lacs
(a) <b>Raw materials consumed</b>		
Opening stock of raw materials	866.39	691.88
Add: Purchases	10,243.93	10,288.82
	11,110.32	10,980.70
Less: Closing stock of raw materials	773.42	866.39
Cost of raw materials consumed	10,336.90	10,114.31
(b) <b>Packing materials consumed</b>		
Opening stock of packing materials	57.05	52.72
Add: Purchases	596.52	468.51
	653.57	521.23
Less: Closing stock of packing materials	58.74	57.05
Cost of packing materials consumed	594.83	464.18
	10,931.73	10,578.49

**Note 21 (b) Purchase of stock-in-trade**

Particulars	For the year ended 31 March 2017 ₹ In Lacs	For the year ended 31 March 2016 ₹ In Lacs
<b>Purchases of stock-in-trade</b>		
IGEPAL BC-10	-	2.18

## Sunshield Chemicals Limited

### Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)

#### Note 21 (c) Changes in inventories of finished goods, work- in- progress and stock in trade

Particulars	For the year ended 31 March 2017 ₹ In Lacs		For the year ended 31 March 2016 ₹ In Lacs	
(a) Work-in-progress				
Opening stock	87.62		139.65	
Less: Closing stock	<u>70.63</u>	16.99	<u>87.62</u>	52.03
(b) Finished goods				
Opening stock	1,649.56		1,076.80	
Less: Closing stock	<u>1,242.90</u>	406.66	<u>1,649.56</u>	(572.76)
(c) Stock in Trade				
Opening stock	2.18		-	
Less: Closing stock	<u>-</u>	2.18	<u>-</u>	-
Net Increase/(Decrease)		<u>425.83</u>		<u>(520.73)</u>

#### Note 22 Employee benefit expense

Particulars	For the year ended 31 March 2017 ₹ In Lacs		For the year ended 31 March 2016 ₹ In Lacs	
(a) Salaries and wages		581.16		586.80
(b) Contribution to provident and other funds		41.75		51.03
(c) Staff welfare expenses		<u>41.74</u>		<u>29.61</u>
		<u>664.65</u>		<u>667.44</u>

#### Note 23 Finance costs

Particulars	For the year ended 31 March 2017 ₹ In Lacs		For the year ended 31 March 2016 ₹ In Lacs	
(a) Interest expense		942.23		828.23
(b) Other borrowing costs		3.75		6.20
(c) Net loss on foreign currency transactions and translation		<u>-</u>		<u>245.23</u>
		<u>945.98</u>		<u>1,079.66</u>

**Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)**
**Note 24 Other expenses**

Particulars	For the year ended 31 March 2017 ₹ In Lacs	For the year ended 31 March 2016 ₹ In Lacs
Consumption of stores and spare parts	167.52	147.34
Power and fuel	729.27	742.31
Rent	108.13	87.63
Repairs and maintenance		
- Plant and machinery	100.68	145.71
- Others	<u>52.75</u>	<u>30.48</u>
Insurance	35.60	37.24
Rates and taxes	112.16	58.52
(Decrease) /Increase of excise duty on inventory (Refer Note 25.12)	(49.36)	50.87
Fixed assets written off	176.31	59.94
Sub-contract charges	378.03	349.21
Legal and professional fees (Refer Note (ii) below)	145.14	136.52
Service charges	579.29	289.23
Corporate social responsibility expense	2.11	0.43
Computer maintenance and Software	150.40	162.94
Travelling and conveyance	44.35	37.15
Director's sitting fees	12.40	14.40
Payments to Auditors (Refer Note (i) below)	12.47	8.00
Freight and forwarding expenses (net)	467.71	373.92
Provision for doubtful trade receivables	14.61	-
Net loss on Foreign currency transactions and translation	8.46	-
Write off of Minimum Alternate Tax credit receivable	-	211.79
Effluent treatment charges	217.50	210.65
Miscellaneous Expenses	<u>195.91</u>	<u>160.40</u>
	<u><u>3,661.44</u></u>	<u><u>3,314.68</u></u>

Particulars	For the year ended 31 March 2017 ₹ In Lacs	For the year ended 31 March 2016 ₹ In Lacs
(i) Payments to the auditors comprise (net of service tax input credit, where applicable):		
(a) To statutory auditors		
- For audit	10.25	5.81
- For other services	1.80	2.19
- Reimbursement of expenses	<u>0.42</u>	<u>-</u>
	12.47	8.00
(ii) Professional fees includes payments to cost auditors for cost audit	1.72	1.78

## Sunshield Chemicals Limited

Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)

### Note 25 Additional information to the financial statements

#### Note 25.1 Contingent Liabilities and commitments to the extent not provided for in respect of:

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
<b>(i) Contingent Liabilities:</b>		
<b>Claims against the Company not acknowledged as debt:</b>		
(a) <b>Income Tax matters</b> Demand notices issued by Income Tax Department for which the Company has preferred appeal	146.57	9.46
(b) <b>Sales Tax Matters</b> Demand notices issued by Sales Tax Department for which the Company has preferred appeal	1,244.08	1,244.09
(c) <b>Service Tax Matters</b> Demand issued by Dy. Commissioner of Central Excise	5.11	-
(d) The Company has received a legal notice from a party alleging that the Company has been using their land for the last 30 years. In the said notice, the said party has claimed mense profit for 30 years amounting to ₹1,166.40 lakhs. The Company has replied to the notice and called upon the party to cancel and/ or withdraw the notice for the reasons stated in the reply. The Company is taking further legal action in the matter.	1,166.40	1,166.40
(e) <b>Excise Matters</b> During the year Company has received a Show Cause Notice cum Demand from the Assistant Commissioner of Central Excise & Customs demanding excise duty. The demand is raised on account of dispute over excise classification.	45.03	-
Note: Future ultimate outflow of resources embodying economic benefits in respect of matters stated under 25.1 (i) above is uncertain as it depends on the final outcome of judgments / decisions on the matters involved.		
<b>(ii) Capital Commitments</b> The estimated amount in respect of the contracts remaining to be executed on capital account (net of capital advances) and not provided for Tangible Assets	52.74	117.91

#### Note 25.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2017 ₹ In Lacs	As at 31 March 2016 ₹ In Lacs
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	46.21	38.70
(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 payments made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	3.97	10.86
(v) The amount of Interest accrued and remaining unpaid at the end of the accounting year	14.83	10.86
(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	-	-
Dues to the Micro and Small Enterprises has been determined based on the details regarding the status of the suppliers obtained by the Company. This has been relied upon by the auditors.		

**Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)**
**Note 25 Additional information to the financial statements (Continued)**
**Note 25.3 (a) Details of Consumption of Raw Materials, Packing Material and Stores & Spares**

Particulars	For the year ended 31 March 2017	
	₹ In Lacs	%
<b>Raw Materials consumed</b>		
Imported	<b>4,032.90</b>	<b>39%</b>
	(3,813.82)	(38%)
Indigenous	<b>6,304.00</b>	<b>61%</b>
	(6,300.49)	(62%)
	<b>10,336.90</b>	<b>100%</b>
	(10,114.31)	(100%)
<b>Packing Materials consumed</b>		
Imported	-	-
	(-)	(-)
Indigenous	<b>594.83</b>	<b>100%</b>
	(464.18)	(100%)
	<b>594.83</b>	<b>100%</b>
	(464.18)	(100%)
<b>Stores &amp; Spares consumed</b>		
Imported	<b>23.58</b>	<b>14%</b>
	(109.06)	(74%)
Indigenous	<b>143.94</b>	<b>86%</b>
	(38.28)	(26%)
	<b>167.52</b>	<b>100%</b>
	(147.34)	(100%)

Figures in bracket are for the previous year ended 31 March, 2016

**Note 25.3 (b) Details of Category-wise Raw Materials Consumed**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹ In Lacs	₹ In Lacs
<b>Raw Material Consumed</b>		
Ethylene Oxide	<b>3,765.45</b>	3,825.71
Cyanuric Acid	<b>1,386.80</b>	1,472.38
Di-isobutylene	<b>270.20</b>	260.46
Di-Phenylamine	<b>889.20</b>	925.91
Others	<b>4,025.25</b>	3,629.85
	<b>10,336.90</b>	10,114.31

## Sunshield Chemicals Limited

Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)

### Note 25 Additional information to the financial statements (Continued)

#### Note 25.4 Inventories and Sales of Finished Goods

Particulars	Opening Stock	Closing Stock	WIP of Closing Stock	Net Sales during
	As at 31 March 2016	As at 31 March 2017	As at 31 March 2017	the year 2017#
	₹ In Lacs	₹ In Lacs	₹ In Lacs	₹ In Lacs
Theic	869.00	416.65	20.71	6,155.32
	(152.58)	(869.00)	(40.40)	(5,069.31)
Ethoxylates & Propoxylates	507.03	491.98	1.80	6,245.12
	(552.60)	(507.03)	(4.55)	(5,649.73)
Antioxidants	248.41	313.16	48.12	3,566.91
	(340.71)	(248.41)	(42.67)	(4,014.94)
Miscellaneous Products	25.12	21.11	-	392.10
	(30.91)	(25.12)	-	(82.99)
<b>Total of manufactured items</b>	<b>1,649.56</b>	<b>1,242.90</b>	<b>70.63</b>	<b>16,359.45</b>
	(1,076.80)	(1,649.56)	(87.62)	(14,816.97)

# Net of excise duty

Figures in bracket are for the previous year ended 31 March, 2016

#### Note 25.5 Value of imports calculated on CIF basis

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹ In Lacs	₹ In Lacs
Raw Materials	3,795.65	3,970.63
Stores & Spares Parts	23.58	109.06

#### Note 25.6 Expenditure in foreign currency

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹ In Lacs	₹ In Lacs
Travelling	12.91	6.86
Computer maintenance and Software	150.40	162.94
Repairs & Maintenance	31.51	38.95
Legal & Professional Charges	61.81	2.02
Foreign Bank Charges	1.72	4.26
Export Commission	18.81	13.41
Interest	156.74	127.08
Freight & Forwarding expenses	7.68	7.65
Miscellaneous Expenses	-	21.27

**Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)**
**Note 25 Additional information to the financial statements (Continued)**
**Note 25.7 Earnings in foreign exchange**

Particulars	For the year ended 31 March 2017 ₹ In Lacs	For the year ended 31 March 2016 ₹ In Lacs
Exports of Goods calculated on Free on board basis	8,084.05	8,139.46
Freight and insurance recovered on sales	55.62	58.73
Services Rendered (Recovery of expenses cross-charged from related parties)	-	13.04

**Note 25.8 Segment Information**

- (a) Primary business segment  
The Company is engaged in specialty chemicals.
- (b) The details of geographical segments are as under:

Geographical Segment	Revenues for the year ended 31 March, 2017 ₹ In Lacs	Segment assets as at 31 March, 2017 ₹ In Lacs	Capital expenditure incurred during the year ended 31 March, 2017 ₹ In Lacs
India	8,404.89	12,715.07	397.93
	(7,128.74)	(13,890.93)	(860.66)
Others	8,139.67	1,398.58	-
	(8,198.19)	(1,189.76)	(-)

Figures in bracket are for the previous year ended 31 March, 2016

**Note 25.9 Related Party Disclosures**

Related Party Disclosures in accordance with the Accounting Standard 18 - Related Party Disclosures" are given below:

- (a) Parties where Control exists:
- (i) **Ultimate Holding Company:**  
Solvay S. A.
- (ii) **Holding Company:**  
Rhodia Amines Chemicals Pte Limited (holds 62.36% of the equity share capital in the Company)
- (b) Names of the related parties with whom the Company had transactions during the year:
- (i) **Fellow Subsidiaries:**  
Solvay (China) Co. Ltd.  
Solvay Specialty Chemicals Asia Pacific Pte. Ltd.  
Rhodia Operations S.A.S.  
Solvay Asia Pacific Co. Ltd.  
Solvay Chemicals Korea Co. Ltd.  
Solvay Specialties India Pvt. Ltd.  
Solvay (Zhenjiang) Chemicals Co. Ltd.  
Rhodia Specialty Chemicals India Limited  
Solvay (Zhangjiagang) Specialty Chemicals Co. Ltd.  
Solvay Solutions Italia S.p.A  
Solvay CR S.R.O  
Solvay Finance Ireland Unlimited

Note : The above have been identified on the basis of the information available with the Company.



## Sunshield Chemicals Limited

### Notes forming part of the financial statements for the year ended 31 March 2017 (Continued)

#### Note 25 Additional information to the financial statements (Continued)

(ii) **Key Management Personnel:**

Mr. Shreerang Belgaonkar, Wholetime Director (upto 30<sup>th</sup> June, 2015)

Mr. Manoj Khullar, Managing Director (from 1<sup>st</sup> July, 2015)

(c) Transactions with the Related Parties are for the year

Particulars	For the year ended 31 March 2017 ₹ In Lacs	For the year ended 31 March 2016 ₹ In Lacs
<b>(i) Fellow Subsidiaries</b>		
<b>Sale of goods:</b>		
Solvay (Zhenjiang) Chemicals Co. Ltd.	4.70	370.59
Rhodia Specialty Chemicals India Ltd.	481.27	206.29
Solvay Chemicals Korea Co. Ltd.	11.16	10.60
Solvay Specialty Chemicals Asia Pacific Pte. Ltd.	70.64	44.95
Solvay CR S.R.O	6.98	3.59
Solvay (Zhangjiagang) Specialty Chemicals Co. Ltd.	1.10	-
	<u>575.85</u>	<u>636.02</u>
<b>Purchase of Raw Materials:</b>		
Rhodia Specialty Chemicals India Ltd.	100.84	38.39
Solvay (Zhangjiagang) Specialty Chemicals Co. Ltd.	419.49	281.67
Solvay Solutions Italia S.p.A	-	26.18
	<u>520.33</u>	<u>346.24</u>
<b>Rendering of services:</b>		
Solvay Asia Pacific Co. Ltd.	-	5.34
Solvay Specialty Chemicals Asia Pacific Pte. Ltd.	-	3.91
Solvay Chemicals Korea Co. Ltd.	-	3.79
	<u>-</u>	<u>13.04</u>
<b>Reimbursement of Expenses</b>		
Solvay (Zhangjiagang) Specialty Chemicals Co. Ltd.	5.85	-
<b>Receiving of services:</b>		
Rhodia Specialty Chemicals India Ltd.	515.74	285.61
Rhodia Operations S.A.S.	150.40	162.94
Solvay (China) Co. Ltd.	61.81	-
Solvay Asia Pacific Co. Ltd.	-	0.42
Solvay Specialty Chemicals Asia Pacific Pte. Ltd.	-	1.60
Solvay Specialties India Pvt. Ltd.	72.62	13.96
	<u>800.57</u>	<u>464.53</u>
<b>Inter corporate loan taken:</b>		
Solvay Specialties India Pvt. Ltd.	1,400.00	1,900.00
<b>Inter corporate loan repaid:</b>		
Solvay Specialties India Pvt. Ltd.	300.00	-
<b>Interest expense on inter-corporate loan taken:</b>		
Solvay Specialties India Pvt. Ltd.	328.35	182.02
External Commercial Borrowings (ECB) taken		
Solvay Finance Ireland Unlimited	-	4,193.94
<b>Interest expense on ECB loan taken:</b>		
Solvay Finance Ireland Unlimited	156.74	125.29
<b>(ii) Key Management Personnel:</b>		
<b>Remuneration # :</b>		
Mr. Shreerang Belgaonkar, Wholetime Director (upto 30 <sup>th</sup> June, 2015)	-	15.78
Mr. Manoj Khullar, Managing Director (from 1 <sup>st</sup> July, 2015)	0.12	0.09
# The above amount does not include gratuity and compensated absence payable which is actuarially determined on an overall basis for the Company as a whole and individual information in respect of director is not available.		

**Note 25 Additional information to the financial statements (Continued)**

Particulars	For the year ended 31 March 2017 ₹ In Lacs	For the year ended 31 March 2016 ₹ In Lacs
(d) <b>Balances outstanding as at year end:</b>		
<b>Amount Payable:</b>		
<b>Fellow subsidiaries:</b>		
Rhodia Operations S.A.S.	37.73	193.85
Rhodia Specialty Chemicals India Ltd.	411.73	233.90
Solvay (Zhangjiagang) Specialty Chemicals Co. Ltd.	121.84	-
Solvay Specialties India Pvt. Ltd.	9.03	0.90
	<u>580.33</u>	<u>428.65</u>
<b>Amount Receivable:</b>		
Solvay Chemicals Korea Co. Ltd.	10.75	1.17
Solvay Specialty Chemicals Asia Pacific Pte. Ltd.	39.99	48.25
Rhodia Specialty Chemicals India Ltd.	89.41	43.66
Solvay (Zhenjiang) Chemicals Co. Ltd.	-	49.06
Solvay (Zhangjiagang) Specialty Chemicals Co. Ltd.	-	19.24
	<u>140.15</u>	<u>161.38</u>
<b>Loan Outstanding:</b>		
Solvay Specialties India Pvt. Ltd.	4,148.55	3,041.36
(includes interest accrued but not due of ₹ 48.55 Lacs, previous year ₹41.36 Lacs)		
Solvay Finance Ireland Unlimited	4,457.69	4,303.12
(includes interest accrued but not due of ₹ 284.78 Lacs, previous year ₹125.29 Lacs)		
	<u>8,606.24</u>	<u>7,344.48</u>
(e) Current maturities of long term debts from bank (Note 11) of ₹ 1,700 Lacs (previous year ₹ 1,700 Lacs) is secured by a corporate guarantee from Rhodia SA France, a subsidiary of the ultimate holding company.		
(f) No amount have been written off / provided for or written back in respect of amounts receivable from or payable to the related parties.		

**Note 25.10 Details of Employee Benefits as required by the Accounting Standard 15 "Employee Benefits" are as follows:**
**1 Defined contribution plan:**

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 22.68 Lacs (Year ended 31 March, 2016 ₹ 21.74 Lacs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**2 Defined Benefit Plan (Funded)**
**(a) A general description of the Employees Benefit Plan:**

The Company has an obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees.

The plan provides for lumpsum payment to vested employees at retirement, death while in employment or on termination of the employment. Gratuity is calculated in accordance with the provisions of the Payment of Gratuity Act, 1972. Vesting occurs upon the completion of five years of service.

## Sunshield Chemicals Limited

### Note 25 Additional information to the financial statements (Continued)

(b) Details of defined benefit plan - as per Actuarial Valuation:

Particulars	For the year ended 31 March 2017 ₹ In Lacs	For the year ended 31 March 2016 ₹ In Lacs
<b>Gratuity:</b>		
<b>1 Components of employer expenses</b>		
Current service cost	7.87	7.81
Interest cost	9.02	8.53
Expected return on Plan Assets	(5.06)	(6.13)
Actuarial Losses / (Gains)	4.97	9.53
Past service cost	-	-
Total expense recognised in the Statement of Profit and Loss (included in "Contribution to provident and other funds" under 'Employee benefits expense' in Note 22)	16.80	19.74
<b>2. Actual Contribution and Benefits payments for the year</b>		
Actual Benefits payments	(4.51)	(21.75)
Actual Contributions	44.90	0.01
<b>3. Net asset / (liability) recognised in the Balance Sheet</b>		
Present Value of Defined Benefit Obligation	132.82	113.99
Fair Value of Plan Assets	106.78	59.85
Funded status [Surplus / (Deficit)]	(26.04)	(54.14)
Net (liability) / asset recognised in the Balance Sheet	(26.04)	(54.14)
<b>4. Change in Defined Benefit Obligation during the year</b>		
Present Value of Defined Benefit Obligation as at the beginning	113.99	110.41
Current service cost	7.87	7.81
Interest cost	9.02	8.53
Actuarial losses / (gains)	6.45	8.81
Benefits paid	(4.51)	(21.57)
Past Service cost	-	-
Present Value of Defined Benefit Obligation as at the end of the year	132.82	113.99
<b>5. Change in Fair Value of Plan Assets during the year</b>		
Plan Assets as at the beginning	59.85	76.01
Expected return on Plan Assets	5.06	6.13
Actuarial Gains / (Losses)	1.48	(0.73)
Actual Company Contributions	44.90	0.01
Benefits paid	(4.51)	(21.57)
Plan Assets as at the end of the year	106.78	59.85

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**Note 25 Additional information to the financial statements (Continued)**
**6. Actuarial Assumptions**

Discount Rate	6.90%	7.85%
Expected Return on plan assets	8.00%	8.75%
Salary Escalation Rate	8.00%	8.00%
Attrition:		
21-44 years	12.00%	12.00%
45 & above	2.00%	2.00%

Mortality tables

<b>Indian Assured Lives</b>	Indian Assured Lives
<b>Mortality (2006-08)Ult</b>	Mortality (2006-08)Ult

- |   |           |    |
|---|-----------|----|
| 7. Estimated amounts of contribution in the immediate next year (₹ in lacs) | <b>30</b> | 10 |
|---|-----------|----|
8. The expected rate of return on the plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of the obligations. The actual return on plan asset is ₹ 6.54 Lacs [previous year ₹5.41 Lacs]
9. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The assumption of the future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotions and other relevant factors.

Particulars	For the year ended	For the year ended
	31 March 2017	31 March 2016
	₹ In Lacs	₹ In Lacs
10. <b>The major categories of Plan Assets as a percentage of the total plan assets</b>		
Insurer managed funds	<b>100%</b>	100%

The gratuity benefit scheme of the Company is managed by Life Insurance Corporation of India (LIC). The Company does not have the details of the composition of the plan assets, by category, from the LIC for the current and the previous year and hence the disclosures as required by Accounting Standard (AS) 15 on Employee Benefits have not been given.

**11 Experience Adjustments:**

Particulars	Year ended ₹ In Lacs				
	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
Defined Benefit Obligation	132.82	113.99	110.41	95.03	76.57
Plan Assets	106.78	59.85	76.01	77.93	60.46
Surplus/(Deficit)	(26.04)	(54.14)	(34.40)	(17.10)	(16.11)
Experience adjustment on Plan Liabilities	(2.26)	8.02	0.03	13.91	6.17
Experience adjustment on Plan Assets	1.48	(0.72)	0.15	1.08	(0.03)

## Sunshield Chemicals Limited

### Note 25.11 Earnings Per Share

Particulars	For the year ended 31 March 2017		For the year ended 31 March 2016
		₹ In Lacs	₹ In Lacs
(a) Weighted average number of equity shares of ₹10/- each outstanding as at the Balance Sheet date	Nos.	<b>73,53,060</b>	73,53,060
(b) Nominal value of share	₹	<b>10</b>	10
(c) Net Profit / (Loss) attributable to equity shareholders	₹ In Lacs	<b>(544.08)</b>	(84.55)
(d) Earnings per share (basic and diluted)	₹	<b>(7.40)</b>	(1.15)

**Note 25.12** Excise duty paid and collected from customers is shown separately and deducted from the Gross sales in the Statement of Profit and Loss

Excise duty appearing under other expenses (Note 24) represents the difference between the excise duty included in the closing stock and that in the opening stock of manufactured finished goods ₹(49.36) Lacs (previous year ₹50.87 Lacs)

### Note 25.13 Foreign Currency Exposures:

(a) Outstanding Currency Swaps entered into by the company as on 31<sup>st</sup> March 2017

Particulars	Currency	Amount in Foreign Currency	Equivalent Amount in Indian Currency (₹ in Lacs)
External Commercial Borrowings (ECB)	USD	<b>62,64,683</b> (62,64,683)	4,172.91 (4,177.83)

(b) The year end foreign currency exposures that have not been hedged by derivative instrument or otherwise are given below:

Particulars	Currency	Amount in Foreign Currency	Equivalent Amount in Indian Currency (₹ in Lacs)
Trade & Other payables	USD	<b>294,280</b> (599,073)	<b>191.43</b> (396.91)
	Euro	<b>487</b> (268,156)	<b>0.34</b> (202.27)
Interest accrued and due on ECB	USD	<b>369,372</b> (126,794)	<b>239.85</b> (84.01)
Interest accrued but not due on ECB	USD	<b>69,191</b> (62,316)	<b>44.93</b> (41.29)
Trade Receivable and other receivables	USD	<b>1,339,980</b> (950,771)	<b>870.12</b> (629.92)
	Euro	<b>748,710</b> (869,380)	<b>519.40</b> (655.77)

Figures in bracket are for the previous year ended 31<sup>st</sup> March, 2016

**Note 25.14**

Pursuant to the notification dt.30 March, 2017 issued by the Ministry of Corporate Affairs (MCA), the Company has to disclose the holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Also pursuant to another notification issued by MCA on the same date amending the Schedule III of the Companies Act, 2013 requiring the company to disclose the details of Specified Bank Notes held and transacted during the period from 8 November, 2016 to 30 November, 2016. The details are as given below:

	SBNs	Other denomination notes		Total ₹
	-	100 X 95	9500	
	-	10 X 3	30	
	-	2 X 1	2	
Closing cash in hand as on 08.11.2016				<b>9,532</b>
	-	2000 X 8	16000	
	-	20 X 100	2000	
	-	10 X 200	2000	
Add: Permitted receipts				<b>20,000</b>
Less: Permitted payments				-
Less: Amount deposited in Banks				-
Closing cash in hand as on 30.12.2016				<b>29,532</b>

**Note 25.15**

Other expenses for the year ended 31<sup>st</sup> March, 2017 includes ₹176.31 Lacs towards write off of fixed assets retired from active use.

**Note 25.16**

The company is required to spend ₹ Nil on CSR expenditure. The company has spent ₹ 1.77 Lacs for clean India initiative and ₹ 0.34 Lakhs for promotion of education (Previous year ₹ 2.52lacs)

**Note 25.17**

Disclosure under Regulation 34(3) SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

The company has not given any loans and advances in the nature of loans to subsidiaries, associates and firms / companies in which directors are interested. Further, the company has not made any loans and advances where there is no repayment beyond seven years or no interest or interest lower than the prevailing yield of one year, three year, five year or ten year Government Security closet to the tenure of the loan as per section 186 of the Companies Act, 2013.

**Note 25.18**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

**Sunshield Chemicals Limited**

**R. L. Shenoy**  
Chairman  
(DIN No.0074761)

**Ajit Shah**  
Director  
(DIN No.02396765)

**Manoj Khullar**  
Managing Director  
(DIN No.06415392)

**Rajeev Gupte**  
Chief Financial Officer

**Amit Kumashi**  
Company Secretary





# SUNSHIELD CHEMICALS LIMITED

Regd. Office: Phoneix House, A wing, 4<sup>th</sup> Floor, 462, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013.

Corporate Identification No. (CIN): L99999MH1986PLC041612

Phone: 91-22-66637101, Fax: 91-22-24952834, E-mail: investor.sunshield@solvay.com, Website: www.solvayindia.in

## ATTENDANCE SLIP

(To be presented at the entrance duly signed)

I hereby record my presence at the 30<sup>TH</sup> ANNUAL GENERAL MEETING of the Company at Convention Hall, Y. B. Chavan Centre, Gen. Jagannath Bhosale Marg, Nariman Point, Mumbai 400 021, at 11.00 a.m on Wednesday, the 6<sup>th</sup> September 2017.

SIGNATURE OF THE ATTENDING MEMBER / PROXY : \_\_\_\_\_

### ELECTRONIC VOTING PARTICULARS

Electronic Voting Event Number (EVEN)	User ID	Password

Note : Please refer to the instructions printed under the Notes to the Notice of the 30<sup>th</sup> Annual General Meeting. The voting period starts from 9.00 am on Sunday, the 3<sup>rd</sup> September 2017 and ends at 5.00 pm on Tuesday, the 5<sup>th</sup> September 2017. The voting portal shall be disabled by NSDL for voting thereafter.



# SUNSHIELD CHEMICALS LIMITED

Regd. Office: Phoneix House, A wing, 4<sup>th</sup> Floor, 462, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013.

Corporate Identification No. (CIN): L99999MH1986PLC041612

Phone: 91-22-66637101, Fax: 91-22-24952834, E-mail: investor.sunshield@solvay.com, Website: www.solvayindia.in

## PROXY FORM

Name of the member(s) :

Registered address :

E-mail ID :

Folio No/Client ID :

I/We being the member(s) of \_\_\_\_\_ Shares of Sunshield Chemicals Limited, hereby appoint:

- Name: \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_  
Signature : \_\_\_\_\_  
or failing him
- Name: \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_  
Signature : \_\_\_\_\_  
or failing him
- Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_  
Signature : \_\_\_\_\_

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty-Eighth Annual General Meeting of the Company to be held on Wednesday, the 6<sup>th</sup> September 2017, at 11.00 a.m at Convention Hall, Y. B. Chavan Centre, Gen. Jagannath Bhosale Marg, Nariman Point, Mumbai 400 021, and at any adjournment thereof in respect of such resolutions as are indicated below:

### Ordinary Business :

- Adoption of financial statement for the year ended 31<sup>st</sup> March, 2017, together with Auditors' Report and Directors' Report
- Reappointment of Mr. Satish Kelkar as Director, who retires by rotation
- Reappointment of Ms. Valdirene Licht as Director, who retires by rotation
- Ratification of appointment of Auditors

### Special Business :

- Approval of remuneration of Cost Auditors
- Appointment of Mrs. Aruna Soman as an Independent Director of the Company
- Appointment of Mr. Chidananda Bhagwat as an Director of the Company

Signed this..... day of ....., 2017

Signature of the shareholder : .....

Signature of Proxy holder(s) : .....

Affix Rupee  
One  
Revenue  
Stamp

- Notes:**
- This form in order to be effective should be duly completed and deposited at the Registered Office of the Company at Phoneix House, A wing, 4<sup>th</sup> Floor, 462, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013, not less than 48 hours before the commencement of the Meeting.
  - For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of 30<sup>th</sup> Annual General Meeting.





*If undelivered, please return to :*  
**Sunshield Chemicals Limited**  
Phoenix House, 'A Wing, 4<sup>th</sup> Floor,  
462, Senapati Bapat Marg,  
Lower Parel (West), Mumbai - 400 013. India.