

INDEPENDENT AUDITOR'S REPORT

To the Members Of
Nath Industrial Chemicals Limited

1. Report on the Financial Statements

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

2. Management's Responsibility for the Financial Statements

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

3. Auditors' Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there-under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2015 and its loss and its cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

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

5.2 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, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations on its financial position in Note 27 to its financial statements.



- b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses , if any , and the company does not have any derivative contracts;
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



For **Chokshi & Chokshi LLP**
Chartered Accountants
(Firm Registration No. 101872W/W100045)

M Patel

Mahazaver Patel
Partner
Membership No. 131292

Place of Signature: Mumbai

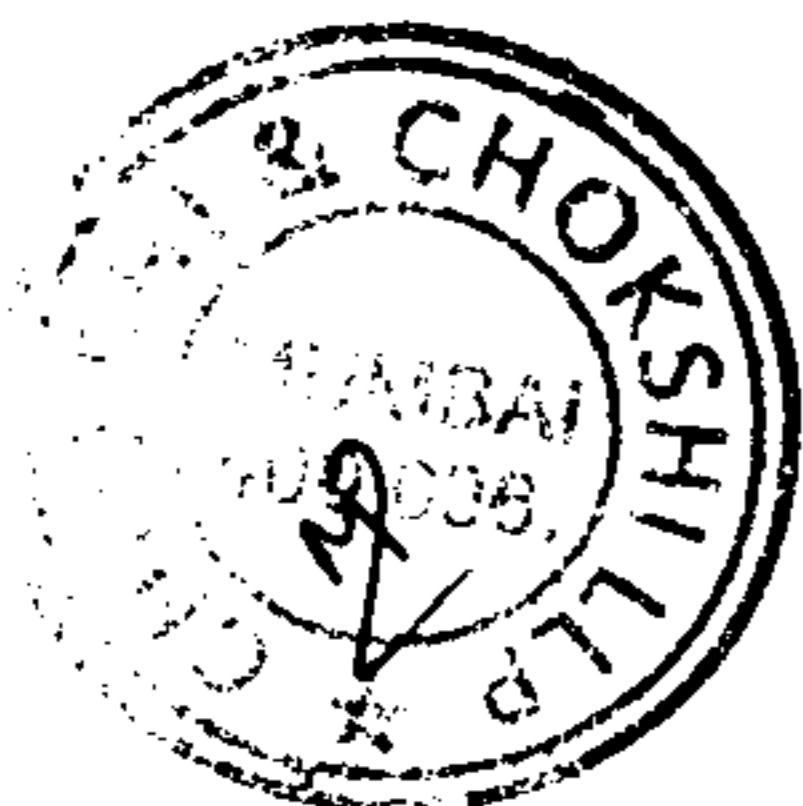
Date: 30 JUN 2015

pdfelement

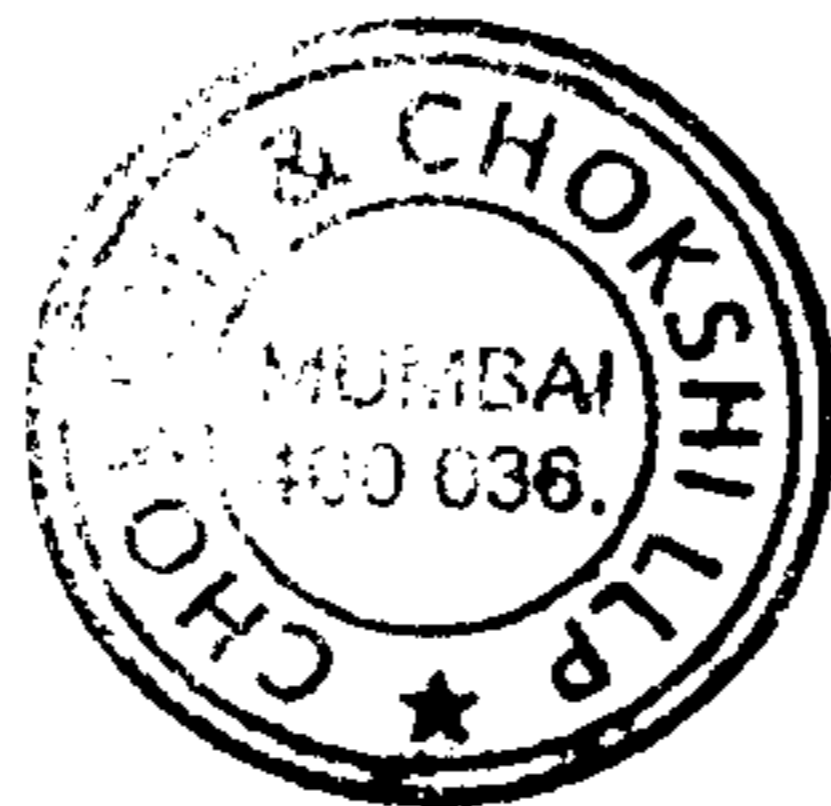
Annexure to Independent Auditors' Report

Referred to in Paragraph 6 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

- i. In respect of its fixed assets:
 - (a) The Company is maintaining records showing full particulars, including quantitative details but situations fixed assets is not specified in the records.
 - (b) According to the information and explanations given to us, the fixed assets are being physically verified by the Management at all its offices in a phased manner at reasonable intervals which in our opinion is reasonable having regard to the size of the Company and nature of assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii.
 - (a) According to the information and explanation given to us, physical verification has been conducted by the management as at the year end in respect of the finished goods in process, stores, spare parts and raw materials.
 - (b) In our opinion and according to the information and explanations given by the management, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business and in respect of sites where no verification is done internal documentations are done and relied upon.
 - (c) No material discrepancies have been noticed on verification of inventory between the physical stock and the book records in respect of sites where physical verification is carried out. The discrepancies noticed have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us, the Company has granted unsecured loans to two companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
 - (a) In absence of written agreement on repayment schedule, the loans and interest there on are being repaid on demand.
 - (b) As per the information and explanation given to us since the loans are repayable on demand, there are no overdue amounts of more than rupees one lakh in respect of loans granted to the parties listed in the register maintained u/s 189 of the Act.
- iv. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and the sale of goods and services. Further, during the course of our audit, we have neither come across nor have been informed of any continuing failure to correct any major weakness in such internal controls.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any public deposits and hence directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable. As per the information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this respect.



- vi. We have broadly reviewed the books of account maintained by the company pursuant to sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however not undertaken a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and other statutory dues, as applicable, with the appropriate authorities and no such undisputed statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date those become payable.
- (b) According to the records of the Company and the information and explanations given to us, there are no disputed dues payable by the Company as on 31st March 2015 on account of Income Tax/ Sales Tax/ Wealth Tax/ Service Tax/ Duty of Custom / Duty of Excise or Value Added Tax .
- (c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- viii. The accumulated losses of the Company are not more than it's paid up capital and free reserves. The Company has incurred cash loss during the current financial year. (Previous year Rs. NIL).
- ix. According to the information and explanations given to us and on the basis of our examination of the books of account, in our opinion, the Company has not defaulted in repayment of dues to any financial institution or banks or debenture holders.
- x. *According to the information and explanations given to us and the representations made by the management, the Company has not given any Guarantee for loans taken by others from any bank or financial institutions.*
- xi. In our opinion and according to the information and explanations given to us, no term loans are availed by the Company during the year.
- xii. During the course of our examination of the books of accounts carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have not come across any instances of fraud, either noticed or reported during the year, on or by the Company.



For **Chokshi & Chokshi LLP**
Chartered Accountants
(Firm Registration No. 101872W/ W100045)

M Patel

Mahazaver Patel
Partner
Membership No. 131292

Place of Signature: Mumbai

Date: 30 JUN 2015

NATH INDUSTRIAL CHEMICALS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2015

(Amount in Rs.)

SN	Particulars	Note No.	31st March 2015 (For 12 months)	31st March 2014 (For 15 months)
I	EQUITY AND LIABILITIES			
1	Share Holders' Funds			
	(a) Share Capital	2	50,000,000	50,000,000
	(b) Reserves and Surplus	3	3,552,095	23,293,824
2	Share application money pending allotment			
3	Non Current Liabilities			
	(a) Long Term Borrowings		-	-
	(b) Deferred Tax Liabilities (Net)	4	-	6,736,879
	(c) Other Long Term Liabilities		-	-
	(d) Long Term Provisions	5	10,188,432	7,679,703
4	Current Liabilities			
	(a) Short Term Borrowings	6	60,000,000	67,596,776
	(b) Trade Payables	7	60,556,797	58,920,101
	(c) Other Current Liabilities	8	16,820,033	14,084,240
	(d) Short Term Provisions	9	1,891,347	1,605,215
	TOTAL		203,008,704	229,916,739
II	ASSETS			
1	Non-Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	10	76,181,694	82,693,232
	(ii) Intangible Assets		-	-
	(iii) Capital Work in Progress		-	-
	(iv) Intangible assets under development		-	-
	(b) Non Current Investments	11	139,000	139,000
	(c) Deferred tax assets (net)		-	-
	(d) Long Term Loan and Advances	12	13,932,821	13,927,821
	(e) Other Non-Current Assets		-	-
2	Current Assets			
	(a) Current Investments		-	-
	(b) Inventories	13	24,711,515	32,003,683
	(c) Trade Receivables	14	43,453,330	48,800,762
	(d) Cash and Cash equivalents	15	1,296,283	1,622,098
	(e) Short Term Loans and Advances	16	43,294,061	50,730,142
	(f) Other Current Assets		-	-
	TOTAL		203,008,704	229,916,739
	Significant Accounting Policies	1		
	Notes on Accounts	1-42		

As per our Report of even date

For **CHOKSHI AND CHOKSHI LLP**

Chartered Accountants

Registration No: 101872W/W100045

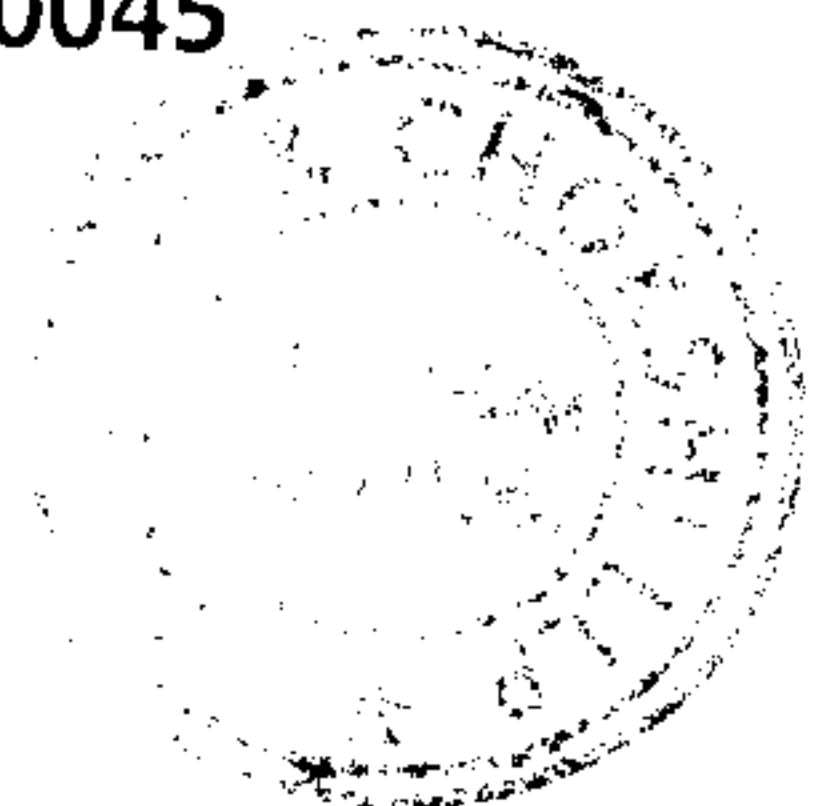
Mahazaver Patel

Partner

Membership No :131292

Mumbai

Dated: 30.03.2015

For and on behalf of the Board of
NATH INDUSTRIAL CHEMICALS LTD.AKASH KAGLIWAL
DirectorABHAY KUMAR JAIN
Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

(Amount in Rs.)

SN	Particulars	Note No.	31st March 2015	31st March 2014 (For 15 months)
I	Revenue from Operation	17	438,086,271	516,873,492
	Less : Excise Duty		49,787,812	58,165,698
	Revenue from Operation (Net)		388,298,459	458,707,794
II	Other Income	18	5,006,146	5,732,149
iii	Total Revenue (I+II)		393,304,605	464,439,943
IV	Expenses			
	Cost of Materials Consumed	19	318,426,677	339,602,367
	Purchase of Stock in Trade		268,541	5,958,903
	Change in Inventories of Finished Goods & Stock in Process	20	581,884	955,122
	Employee Benefit Expenses	21	33,842,364	34,197,766
	Finance Cost	22	1,096,129	2,572,821
	Depreciation and Amortisation Expense	23	11,335,960	17,361,871
	Other Expenses	24	53,553,863	70,514,682
	Total Expenses		419,105,418	471,163,531
V	Profit before exceptional items, extra- ordinary items and Tax (III-IV)		(25,800,813)	(6,723,588)
VI	Exceptional items	25	-	94,328,984
VII	Profit before extraordinary items and tax (V - VI)		(25,800,813)	87,605,395
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII- VIII)		-25,800,813	87,605,395
X	Tax expenses:			
	(1) Current tax		-	-
	(2) Deferred tax	4	6,527,442	424,910
XI	Profit for the period (IX-X)		(19,273,371)	87,180,485
XII	Earnings per equity share of face value of Rs 100/- each :			
	Before Exceptional items	26		
	Basic Earning per Share (Rs.)		(38.55)	(14.30)
	Diluted Earning per Share (Rs.)		(38.55)	(14.30)
	After exceptional items	26		
	Basic Earning per Share (Rs.)		(38.55)	174.36
	Diluted Earning per Share (Rs.)		(38.55)	174.36
	Significant Accounting Policies	1		
	Notes on Financial statement	1-42		

As per our Report of even date

For CHOKSHI AND CHOKSHI LLP
Chartered Accountants
Registration No: 101872W/W100045

M Patel
Mahazaver Patel
Partner
Membership No :131292

Mumbai
Dated:

For and on behalf of the Board of
NATH INDUSTRIAL CHEMICALS LTD.

Akash Kagliwal
AKASH KAGLIWAL
Director

Abhay Kumar Jain
ABHAY KUMAR JAIN
Director

NATH INDUSTRIAL CHEMICALS LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2015

Remove Watermark Now

(Amount in Rs.)

Particular	31st March 2015		31st March 2014	
	(For 12 Months)		(For 15 Months)	
Cash Flow from Operating Activities				
Net Profit before tax		(25,800,813)		87,605,395
Adjustments:-				
Depreciation	11,335,960		17,361,871	
Interest Income	(3,062,775)		(395,996)	
Other Income	(1,943,391)		(1,592,689)	
Exceptional Items	-	6,329,794	(94,328,984)	(78,955,798)
Operating profit before following adjustments		(19,471,019)		8,649,597
Adjustments for:				
Trade Receivables	5,347,432		1,441,803	
Inventories	7,292,168		(8,468,022)	
Short Term Advances	7,436,082		43,340,180	
Long Term Advances	(5,000)		2,120	
Trade Payables	(1,636,696)		(2,766,971)	
Other Current Liabilities	(2,735,793)		4,766,151	
Short Term Provisions	(286,132)		(92,218)	
Long Term Provisions	(2,508,729)		(1,390,538)	
	-	27,238,032	-	35,799,657
Net Cash Flow from Operating Activities (A)		7,767,013		44,449,254
Cash flows from investing activities				
Purchase of Fixed Assets and CWIP	(5,502,218)		(85,000)	
Sale of Investment	-		-	
Interest Received	3,062,775		395,996	
Other Income	1,943,391		1,592,689	
Net Cash flows from investing activities (B)		(496,052)		1,903,685
Cash flows from financing activities				
Proceeds from Short Term Borrowings	(7,596,776)		(1,377,384)	
Adjustments (Refer Note 29)				
Short Term Borrowings	-		(140,428,984)	
Other Current Liabilities	-		-	
Capital Reserves	-		2,200,000	
Exceptional Items	-		94,328,984	
Net Cash Flows from financing activities (C)		(7,596,776)		(45,277,384)
Net (Decrease)/ Increase in cash and cash Equivalents (A+B+C)		(325,815)		1,075,555
Cash and Cash Equivalents as on 1st April 2014 (Opening Balance)		1,622,098		546,543
Cash and Cash Equivalents as on 31st March 2015 (Closing Balance)		1,296,283		1,622,098

As per our Report of even date

Significant Accounting Policies

Notes on Accounts

Note:

- 1) The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.
- 2) Cash and Cash Equivalents represents Cash and Bank Balances only
- 3) Previous Year's figures have been restated, reclassified and / or rearranged to confirm to the current year's classification.

For Chokshi & Chokshi LLP

Chartered Accountants

Registration No: 101872W / W100045

Patel

Mahazaver Patel

Partner

Membership No :131292

Mumbai

Dated: 31.03.2015

For and on behalf of the Board of
NATH INDUSTRIAL CHEMICALS LTD.

Akash Kagliwal
AKASH KAGLIWAL
Director

Abhay Kumar Jain
ABHAY KUMAR JAIN
Director

NATH INDUSTRIAL CHEMICALS LIMITED

Significant Accounting Policies and Notes to the Financial Statements for the year ended March 31, 2015

1. Corporate Information

Nath Industrial Chemicals Limited ("the Company") is a company limited by shares incorporated under the Companies Act, 2013. The Company's Registered Office is situated at Mumbai.

The Company was incorporated in the year 1978. The Company is in the business of Manufacturers and Dealers in acids, solvents, and organic and inorganic chemicals and ancillary services.

The Company was referred to the BIFR as a sick company under the provisions of Section 3 (1) (O) of the Sick Industrial Companies (Special Provisions) Act, 1985. The Company's reference as a sick company was registered under Case No. 136/ 2004 with the BIFR. At the hearing held on 25 October 2012, the BIFR sanctioned the Rehabilitation Scheme of the Company and the Order sanctioning the scheme of rehabilitation was received by the Company on 30 October 2012 (Sanctioned Scheme). The Company is out of BIFR scheme by virtue of order dated 18.11.2014.

2. Significant Accounting Policies:

The Significant Accounting Policies have been predominantly prescribed below in order of the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

i) Method of Accounting and preparation of the Financial Statements:

These financial statements have been prepared in accordance with the generally accepted accounting principles (GAAP) in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply with all material aspects of the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the company.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services offered, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

NATH INDUSTRIAL CHEMICALS LIMITED
Significant Accounting Policies and Notes to the Financial Statements for the year ended March 31, 2015

ii) **Revenue Recognition**

a **Manufacturing activities:**

Revenue from sale of products is recognized on transfer of all significant risk and rewards of ownership of the products on to the customers, which is generally on dispatch of goods. Sales adjusted for trade discounts, Value Added Tax (VAT) and exchange rate difference, are accounted as income/expenditure in the year of such claims being lodged and confirmed. Revenue from claims is recognised on confirmation of the claims by the counter parties.

b. **Dividend Income:**

Dividend income is recognized on the basis of once the right to receive is established.

c. I Income and Expenses are accounted on accrual basis except capital incentive from Government authorities and liquidated damages to the extent under negotiation.

ii VAT set-off is based on returns filed with appropriate authorities.

d. Bank Guarantee commission is accounted in the year of execution/renewal of guarantee.

iii) **Use of Estimates:**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenues 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 from those estimates and the difference between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

iv) **Fixed Assets:**

Tangible

All tangible fixed assets are stated at historical cost (as reduced by CENVAT credit) less accumulated depreciation. The cost of fixed assets comprises its purchase price and other attributable expenditure incurred in making the asset ready for its intended use and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Intangible

Intangible Assets are initially recognized at cost and are stated at cost less depreciation and impairment (if any). The cost of an internally generated intangible asset comprises all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to creating,

NATH INDUSTRIAL CHEMICALS LIMITED

Significant Accounting Policies and Notes to the Financial Statements for the year ended March 31, 2015

producing and making the asset ready for its intended use. These Intangible Assets comprise of Computer Softwares.

v) **Depreciation /Amortization on Fixed Assets:**

- a. Depreciation has been provided for on the written down value method as per the useful life prescribed in Schedule II to the Companies Act 2013.
- b. Certain Fixed Assets have been revalued on 30th June 1992.
- c. Leasehold Land, for 99 years and Leasehold Improvements are amortized over the period of the lease

vi) **Impairment of Assets:**

As at each Balance Sheet date, the Company assesses the realizable value of all the assets. If there is any indication of fall in the realizable value over the carrying cost of the assets, impairment in value of the assets is recognized.

vii) **Valuation of Inventories:**

- a. Stage of completion and cost of completion of manufactured products, being technical matters, are estimated and certified by the Company's technical personnel.
- b. Stock of all the raw materials, manufacturing materials, stores and spares lying at store, / factory have been valued at cost (FIFO).
- c. Work-in Progress are valued at the lower of cost and the net realizable value.
- d. Finished Goods are valued at the lower of cost and the net realizable value.

viii) **Investments:**

- a. Investments intended to be held for more than one year are classified as long term investments and are carried at cost of acquisition inclusive of other attributable expenses. Diminution in the value of investment is provided for, if such diminution is of other than temporary nature. in the value of such investments.

ix) **Employee benefits:**

- a. The Company's contribution to Provident Fund is charged to the Statement of Profit and Loss.
- b. Other long term employee benefits comprise compensated absences which is provided based on an actuarial valuation carried out in accordance with AS 15 as at the Balance Sheet date.
- c. The gratuity liability, which is a defined benefit plan, is provided on the basis of actuarial valuation as on Balance Sheet date on the projected unit credit method and the same is funded with Life Insurance Corporation of India.

NATH INDUSTRIAL CHEMICALS LIMITED

Significant Accounting Policies and Notes to the Financial Statements for the year ended March 31, 2015

x) **Earnings Per Share:**

The Company reports basic earnings per share in accordance with the Accounting Standard 20 'Earnings per share'. Basic earnings per share, is computed by dividing the net profit or loss for the year, by the weighted average number of equity shares outstanding during the year.

xi) **Taxation (including Deferred Tax):**

Provision for Income Tax is made for both current and deferred taxes. Current tax is provided on the basis of the taxable income in accordance with and at the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences and which are capable of reversal in subsequent periods are recognized using the tax rates, and tax laws that have been enacted or substantively enacted, subject to prudence. Deferred tax assets on unabsorbed depreciation and carry forward of losses are not recognized unless there is a virtual certainty that there will be sufficient future taxable income available to realize such assets.

xii) **Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognized for liabilities that can be measured only by using substantial degree of estimation, if:

- a. The Company has a present obligation as a result of past events.
- b. A probable outflow of resources is expected to settle the obligation.
- c. The amount of the obligation is best estimate required to settle the obligation at the Balance Sheet date.
- d. This are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

Reimbursement expected in respect of the expenditure required to settle a provision is recognized only when it is virtually certain that reimbursement will be received.

Contingent Liability is disclosed in the case of :

- a. A present obligation arises from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- b. A present obligation when no reliable estimate is possible, and
- c. A possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognized, nor disclosed. Provision, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

xiii) **Extraordinary Items:**

The Extraordinary items are Income or Expenses that arise from events of transactions that are clearly distinct from the ordinary activities and therefore, are not expected to recur frequently or regularly.

The nature and amount of each extra ordinary item is identified and disclosed in the Statement of Profit and Loss in a manner that its impact on current profit or loss can be perceived.

NATH INDUSTRIAL CHEMICALS LIMITED

Significant Accounting Policies and Notes to the Financial Statements for the year ended March 31, 2015

xiv) **Operating 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 rents under operating leases are recognised in the profit and loss account on a straight line

 pdfelement

NATH INDUSTRIAL CHEMICALS LIMITED
Notes on Accounts for the period ended 31st March 2015

2. Share Capital	31st March 2015 Amount (Rs) (For 12 months)		31st March 2014 Amount (Rs) (For 15 months)	
Authorised : 525,000 (PY 525,000) Equity Shares of Rs.100/- each		52,500,000		52,500,000
75,000 (PY 75,000) 4% Non-Cumulative Preference Shares of Rs.100/- each		7,500,000		7,500,000
		60,000,000		60,000,000
Issued, Subscribed and Fully Paid up 500,000 Equity Shares of Rs.100/- each full paid up. (Previous Year 500,000 Equity Shares)		50,000,000		50,000,000
		50,000,000		50,000,000

(a) Reconciliation of Number of Shares outstanding as at beginning of the period and as at end of period

	31st March 2015		31st March 2014	
Shares Outstanding as at beginning		500,000		500,000
Add: Shares issued during the period		-		-
Less : buyback during the period		-		-
Shares Outstanding as at of the period		500,000		500,000

(b) List of Shareholders holding more than 5% of the total Number of Share issued by the Company

	31st March 2015		31st March 2014	
	%	No. of Shares	%	No. of Shares
M/s. Ashu Farms Pvt. Ltd	49.995%	249,975	49.995%	249,975
M/s. Akash Farms Pvt Ltd	49.995%	249,975	49.995%	249,975
Total	99.990%	499,950	99.990%	499,950

3. Reserves & Surplus	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
<u>Capital Redemption Reserve</u>				
Opening Balance	4,200,000		4,200,000	
Add: Addition during the period	-		-	
Less: utilised during the period	-		-	
Closing Balance		4,200,000		4,200,000
<u>Capital Reserve</u>				
Opening Balance	27,300,000		25,100,000	
Add: Addition during the period	-		2,200,000	
Less: utilised during the period	-		-	
Closing Balance		27,300,000		27,300,000
<u>Revaluation Reserve</u>				
Opening Balance	4,761,402		5,201,629	
Add: Addition during the period	-		-	
Less : Adjustment on Account of Depreciation (Refer footnote in note 10)			440,227	
Closing Balance		4,761,402		4,761,402
<u>Profit & Loss A/c Balance</u>				
Opening Balance	(12,967,579)		(100,148,064)	
Less :Adjustment on Account of Depreciation	(468,357)			
Add : Profit/ (Loss) for the period	(19,273,371)		87,180,485	
Total	(32,709,307)		(12,967,579)	
Less: Proposed Dividend	-		-	
Less: Tax on Dividend	-		-	
Less :Transferred to General Reserve	-		-	
		(32,709,307)		(12,967,579)
		3,552,095		23,293,824

NATH INDUSTRIAL CHEMICALS LIMITED
Notes on Accounts for the period ended 31st March 2015

4. Deferred Tax Liability (net)	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
a) Deferred Tax Liabilities				
(i) On account of Depreciation		10,935,975		15,070,373
b) Deferred Tax Assets				
(i) Disallowance under Income tax	4,228,497		3,219,937	
(ii) Unabsorbed Dep. & carryforward Losses	11,208,033		5,113,557	
Total Deferred Tax Assets	15,436,530			8,333,494
Deferred Tax Assets recognised*		10,935,975		
		-		6,736,879

*Refer Note 37

5 Long Term Provisions	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Provision for employee benefits				
- Gratuity	8,385,014		6,263,339	
- Leave Encashment	1,803,418	10,188,432	1,416,364	7,679,703
		10,188,432		7,679,703

6 Short Term Borrowings	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
<u>Loans Repayable on Demand</u>				
From Other Parties				
- Secured	-		-	
- Unsecured*	60,000,000	60,000,000	67,596,776	67,596,776
		60,000,000		67,596,776

*Includes Borrowings from Related Party .The rate of interest is Nil.

7 Trade Payable	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Under Micro, Small & Medium Enterprises		52,109		263,313
Others		60,504,688		58,656,788
		60,556,797		58,920,101

8 Other Current Liabilities	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Advance from Customers	336,320		1,035,195	
Trade deposits	3,220,000		1,595,000	
Duties & Taxes	1,414,157		2,148,282	
Employees Benefit Payable	6,495,805		2,701,763	
Others	5,353,751		6,604,000	
		16,820,033		14,084,240
		16,820,033		14,084,240

NATH INDUSTRIAL CHEMICALS LIMITED
Notes on Accounts for the period ended on 31st March 2015

Note 10: FIXED ASSETS

DESCRIPTION	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK	
	AS AT	ADDITION	DEDUCTION/ TRANSFER	AS AT	ADDITION	DEDUCTION	AS AT	AS AT
	01.04.2014			01.04.2014			31.03.2015	31.03.2014
- Tangible Assets								
Leasehold Land *	5,305,800	-	-	1,822,194	53,594	-	3,430,012	3,483,606
Building @	22,596,211	442,176	-	12,471,122	1,462,086	-	9,105,179	10,125,089
Plant and Machinery @	326,720,590	5,060,042	-	260,532,169	9,294,243	-	61,954,220	66,188,420
Electrical Installation @	6,338,479	-	-	4,495,094	802,567	-	1,040,818	1,843,385
Office Equipments @	1,308,346	-	-	1,093,215	141,088	-	74,043	215,131
Furniture and Fixtures	1,532,082	-	-	1,246,275	95,528	-	190,279	285,807
Computers @	1,629,059	-	-	1,525,507	60,842	-	42,710	103,552
Vehicles	3,266,804	-	-	2,818,562	103,808	-	344,434	448,242
T total	368,697,371	5,502,218	-	286,004,140	12,013,756	-	76,181,694	82,693,230
Total Previous Year	368,612,369	85,000	-	268,202,040	17,802,098	-	82,693,231	100,410,329
Capital Work in Progress	-	-	-	-	-	-	-	-
Previous Year	45,256,684	932,198	46,188,882	-	-	-	-	45,256,684

Foot Note :

1. Leasehold Land has been amortized over the period of 99 years including on revaluated portion.

2. Depreciation Rs.12,013,756/- includes Rs. 17,40,810/- for depreciation on revalued assets. This has not been charged to the revaluation reserve

3. Depreciation Rs.12,013,756/- includes Rs. 677,796/- for amount arising out of the assets whose useful life is NIL as on 01.04.2014.

Particulars	Amount (In Rs.)
BUILDING	87,002
PLANT & MACHINERY	265,151
ELECTRICAL INSTALLATION	243,123
OFFICE EQUIPMENTS	76,410
FURNITURE & FIXTURES	978
COMPUTER	5,134
MOTOR VEHICLES	-
TOTAL	*677796

*Refer note 36

NATH INDUSTRIAL CHEMICALS LIMITED
Notes on Accounts for the period ended 31st March 2015

9 Short Term Provisions	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Provision for employee benefits	931,668		695,926	
- Gratuity	601,139	1,532,807	472,121	1,168,047
- Leave Encashment				
Others		358,540		437,168
- Provision for Excise Duty on Finished Goods				
		1,891,347		1,605,215

11 Non Current Investments	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Trade Investments				
In Fully Paid Equity Instruments				
-Subsidiaries	-	-	-	-
-Others				
-Unquoted				
1) 200000 Shares of Mayo India Ltd. of Rs.50 each (incl. Rs.40 paid as premium) net of write off	50,000		50,000	
2) 2000 Shares of Saraswat Co-op Bank Ltd of Rs 10/- each	20,000		20,000	
3) 2000 Shares of NKGSB Co-op Bank Ltd	1,000	71,000	1,000	71,000
In Application Money				
-Subsidiaries				
-Others				
-Quoted				
1) Application money for shares of Gujarat State Finance Corporation	68,000	68,000	68,000	68,000
		139,000		139,000
Aggregate Amount of Quoted Investments		68,000		68,000
Aggregate Amount of Market Value of Quoted Investments		-		-
Aggregate Amount of Unquoted Investments		71,000		71,000
Aggregate Amount of Provision for Diminution in Value of Investments		-		-

Foot Note :

- i) Non Current Investments are valued at cost or net realisable value; whichever is lower.
ii) Market value of quoted investment could not be possible as it on account of investment in application money.

12. Long Term Loan and Advances	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Security Deposits				
-Unsecured Considered Good*		13,932,821		13,927,821
		13,932,821		13,927,821

*Includes deposit given to Related Party at rate of interest of 6%

13 Inventories	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Raw Materials		10,663,148		15,523,650
Stores, Spares & Tools		9,988,923		11,838,705
Finished Goods		3,226,856		3,974,129
Work in Progress		832,588		667,199
		24,711,515		32,003,683

NATH INDUSTRIAL CHEMICALS LIMITED
Notes on Accounts for the period ended 31st March 2015

14 Trade Receivables	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Exceeding Six Months From the date they become Due -Unsecured Considered Good		1,021		163,397
Others -Unsecured Considered Good		43,452,309		48,637,365
		43,453,330		48,800,762

15 Cash and Cash equivalents	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Balances with Bank In Current Accounts -Others	890,556	890,556	1,429,229	1,429,229
Other Bank Balances In Margin Deposits with original maturity for more than 3 months but less than 12 Cash on Hand		106,179 299,548		77,861 115,008
		1,296,283		1,622,098

16 Short Term Loans and Advances	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Loans and Advances to related parties -Unsecured Considered Good*	35,664,605		43,839,604	
-Doubtful	-	35,664,605	1,750,000	45,589,604
Others				
Prepaid Expenses	210,883		224,907	
Balances with government authorities	1,153,724		1,024,025	
Advance to Suppliers	2,243,597		4,004,766	
Staff & Workers Advance	1,108,000		1,137,000	
Others	2,913,252	7,629,456	499,840	6,890,539
		43,294,067		52,480,143
Less: Provision for doubtful Debts		-		(1,750,000)
		43,294,067		50,730,143

*Includes loans given to Related Party at rate of interest of 6%

NATH INDUSTRIAL CHEMICALS LIMITED
Notes on Accounts for the period ended 31st March 2015

(Amount in Rs.)

17 Revenue from Operation	31st March 2015 (For 12 months)		31st March 2014 (For 15 months)	
Sale of Products -Sulphur and other incidental chemicals		437,712,372		516,369,565
Sale of services -Toner Certification		57,230		45,000
Other Operating Revenues -Freight Charges Recovered		316,669		458,927
		438,086,271		516,873,492

18 Other Income	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Interest Income		3,062,775		395,996
Dividend Income		2,120		2,150
Insurance Claim Reovered		48,685		57,000
Bad Debt Recovered		475,000		-
Prior Period Income*		1,379,671		1,527,739
Other Non-operating Income		37,895		3,749,264
		5,006,146		5,732,149

*Current Year Amount consist of Income Tax Refund A.Y 2010-11

19 Cost of Material Consumed	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Raw materials: (Sulphur, Hydrochloric Acid & Caustic Opening stock	15,083,491		6,295,920	
Add-Purchases	314,006,334		348,830,097	
Less: Closing stock	10,662,393		15,083,491	
Less: Material In Transit	755	318,426,677	440,159	339,602,367
		318,426,677		339,602,367

20 Change in Inventories of Finished Goods, stock in trade & work in Process	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
OPENING STOCK				
Finished Stocks	3,974,129		5,168,104	
Work in Progress	667,199	4,641,328	428,346	5,596,450
Less:				
CLOSING STOCK				
Finished Stocks	3,226,856		3,974,129	
Work in Progress	832,588	4,059,444	667,199	4,641,328
		581,884		955,122

NATH INDUSTRIAL CHEMICALS LIMITED
Notes on Accounts for the period ended 31st March 2015

21 Employee Benefit Expenses	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Salaries & Wages		29,751,995		29,456,601
Cont. to Employee's P.F. & Other Fund		1,981,958		2,420,864
Staff Welfare Expenses		2,108,411		2,320,300
		33,842,364		34,197,766

22 Finance Cost	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Interest Expense				
Borrowing	667,610		2,572,821	
On deferred / delayed payment of income tax	428,519	1,096,129	-	2,572,821
		1,096,129		2,572,821

23 Depreciation	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Depreciation for the period	11,335,960		17,802,098	
Less: Adj. of dep. on account of revaluation Fixed Assets (Refer Footnote to Note No 10)		11,335,960	440,227	17,361,871
		11,335,960		17,361,871

NATH INDUSTRIAL CHEMICALS LIMITED
Notes on Accounts for the period ended 31st March 2015

24 Other Expenses	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
Manufacturing Expenses				
Consumption of Stores & Spares	16,043,185		23,887,773	
Transportation & Materials Handling	857,232		1,069,189	
Freight Outward paid	467,882		478,911	
Power & Fuel	18,635,721		21,694,521	
Repair to Plant & Machinery	4,205,673		6,635,432	
Repair to Building	504,060		-	
Repair to Others	83,159		155,129	
Water Charges	4,197,242	44,994,154	6,193,410	60,114,365
Administrative Expenses				
Rent, Rates & Taxes	776,162		637,562	
Insurance Charges	265,074		360,330	
Security Charges	514,652		666,773	
Vehicle Expenses	698,286		845,602	
Legal and Professional Charges*	2,674,055		3,041,590	
Infrastructure Development Charges	-		236,088	
Sales Tax	930,702		1,105,187	
Other Administrative Expenses	2,688,287	8,547,217	3,454,646	10,347,778
Selling and Distribution Expenses				
Discount on Sales	-	12492	-	52539
		53,553,863		70,514,682

	31.03.15		31.03.14	
*Auditors remuneration (Net of Service Tax)				
- for Statutory Audit	80,000		100,000	
- for Tax Advisory	20,000	100,000	25,000	125,000

25 Exceptional Items	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
On account of BIFR adjustment in respect of -Waiver of Interest SCB	-	-	(94,328,984)	(94,328,984)
		-		(94,328,984)

26 Earning Per Share (EPS)	31st March 2015 Amount (Rs)		31st March 2014 Amount (Rs)	
(Face value of Rs 100/- each)				
EPS before Exceptional items				
a. Profit after Tax before exceptional items		(19,273,371)		(7,148,498)
b. Weighted average number of Equity Shares outstanding		500,000		500,000
c. Earnings per Share - Basic (Rs.)		(38.55)		(14.30)
d. Earnings per Share - Diluted (Rs.)		(38.55)		(14.30)
EPS after Exceptional items				
a. Profit after Tax after exceptionanal items		(19,273,371)		87,180,485
b. Weighted average number of Equity Shares outstanding		500,000		500,000
c. Earnings per Share - Basic (Rs.)		(38.55)		174.36
d. Earnings per Share - Diluted (Rs.)		(38.55)		174.36

NOTES ON ACCOUNTS:-

27. Contingent Liabilities not provided for:

- a) One of the vendors has made a counter claim against the Company for Rs. 9,038,638/- against Companies claim on the vendor of Rs. 28,116,811/- The Company is in arbitration with the said the vendors. The management is of the opinion that no additional liability would arise and pending the said arbitration the amount of Rs. 5,439,314/- shown as creditor is continued as Previous Year.
- b) In respect of partly paid up Shares of Gujarat State Financial Corporation - Rs. 68,000/- (Previous Year Rs. 68,000/-).
- c) Bank Guarantee of Rs.1,06,179/- (Previous Year Rs. 77,861/-)

28. Inventory includes stock of Raw Material, viz., Sulphur 854.583 MT (Previous Year 1,115.315 MT) valued at Rs. 10,604,598/- (Previous Year Rs. 14,937,898/-) lying in pits and yard, and Work in Progress of Rs. 8,32,588 (Previous Year Rs. 6,67,199/-). The quantity is based on technical assessment of the management and as per the regular practice followed by the Company.

29. The Company was a sick Company under Sick Industrial Companies Act, 1985. The Company is out of Board for Industrial and Financial Reconstruction scheme by virtue of order dated 18.11.2014.

30. Despite the best efforts, the Company was not able to appoint a Company Secretary as required under Section 203 of the Companies Act, 2013.

31. The Company does not have any taxable Business Income during the period. Section 115JB of Income Tax Act, 1961 is not applicable in the current year.

32. Director's Remuneration:

	31-03-2015	31-03-2014
	(12 Months)	(15 Months)
	(Rs.)	(Rs.)
Director's Salary	10,09,620/-	12,57,225/-
Contribution to Provident Fund	76,752/-	93,888/-
Perquisites	40,605/-	53,318/-
TOTAL	1,126,977/-	1,404,431/-

33. Imported and indigenous Raw Material and stores & spares consumed

Particulars	31.03.2015 (12 Months)		31.03.2014 (15 Months)	
	Rs.	(%)	Rs.	(%)
Raw Material				
Imported	NIL	0%	NIL	0%
Indigenous	318,426,677	100%	339,602,367	100%
Total	318,426,677		339,602,367	
Stores and Spares				
Imported	NIL	0%	NIL	0%
Indigenous	16,043,185	100%	23,887,773	100%
Total	16,043,185		23,887,773	

34. Income and expenses in foreign currency:

Particulars	31.03.2015 (12 Months)	31.03.2014 (12 Months)
Foreign currency Income	NIL	NIL
Foreign Currency Expenses	NIL	NIL

35. The Company is engaged in the business of manufacture and sale of sulphuric acid and other similar chemicals. As such there are no separate reportable business segment as per the Accounting Standard on 'Segment Reporting' (AS-17) issued by the Institute of Chartered Accountant of India.

36. a) At each balance sheet date, the management reviews the carrying amount of each asset and recoverable value to determine whether there is any indication that those are impaired. The Company has obtained a valuation from the reckoners of the local authority. In respect of shares of a Company the same is continued at impaired value of Rs 50,000. In respect of other investments recoverable value is in excess of carrying cost as on Balance Sheet date. Therefore there is no impairment for the same.

b) The Companies fixed assets mainly consists of Land and Building and the Plant at Vapi. These plants and building are under use throughout the period, hence it constitute one unit .The other assets like furniture etc. are verified by the management once in a year and no major discrepancies are found.

c) Effective 1 April 2014 the Company has changed the estimated useful life of group of assets in line with the recommended useful life as per Part C of Schedule II to the Companies Act, 2013. Due to the above, depreciation charge for the year is Less by Rs 4,69,538/.

As per para 7 (b) of Notes of Part C of Companies Act, 2013, where the remaining useful life of an asset as on the effective date is nil, the carrying amount of the asset are recognised in opening profit & loss a/c. Such carrying amount as on 1 April 2014 for the Company is Rs. 6,77,796 (Net of Deferred Tax Rs. 2,09,439)

37. The Major components of Deferred Tax Liabilities/(Asset) as on 31st March 2015 are as follows:

Particulars	Amount(in Rs)
Opening Balance of Deferred Tax Liability as on 31.03.2014	6,736,879
Deferred tax Liability on account of Depreciation	10,935,975
Deferred tax Asset on account of Disallowances under Income Tax	(4,228,497)
Deferred tax Asset on account of Carry forward losses	(11,208,033)
Total Deferred Tax Asset as on 31.03.2015	(15,436,531)
Deferred tax Assets Recognised to the extent of Liability	10,935,975

Considering the Prudence, Company has recognised deferred tax Asset only to the extent of Deferred Tax Liability. Accordingly Rs 10,935,975/- Deferred Tax Asset is recognised during the year.

38. Provisions of Rs 17,50,000/- outstanding against advances made to a party during the previous years have been reversed and the said advance has been written off against the reversal of the provision. The net effect has been disclosed in the financials

39. As per the Accounting standard 18- Related Party Disclosure issued by INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA, the related party and their transaction are as under :

(a) Particulars of Associate Concern

S.NO.	Name of Related Party	Name of Relationship
1	Akash Farms Pvt Ltd	Associate
2	Ashu Farms Pvt Ltd	Associate

(b) Key Management Personnel (KMP)

S.NO.	Name of Related Party	Nature of Relationship with Company.
1.	Mr. Abhay Kumar Jain	Director

(c) Relative of Key Management Personnel/ Substantial Interest

S.NO.	Name of Related Party	Nature of Relationship with Company.
1.	Nil	Nil

(d) Transaction with related party.

Nature of Transaction (31.03.15)	Akash Farms Pvt Ltd	Ashu Farms Pvt Ltd	KMP	Total
Loans given				
Opening Balance	10,539,030 (10,539,030)	950,000 (950,000)	- (-)	11,489,030 (11,489,030)
Add: Given during the period	- (-)	- (-)	- (-)	- (-)
Less: repaid during the period	- (-)	950,000 (-)	- (-)	- (-)
Closing Balance	10,539,030 (10,539,030)	- (-)	- (-)	10,539,030 (10,539,030)
Interest				
Remuneration Paid (including contribution to PF and other perquisites)	-	-	1,126,977 (1,404,431)	1,126,977 (1,404,431)

*Figures in brackets represent previous year figures.

40. **Employees Benefit:** Defined Benefit Plans/ Long Term Compensated Absences – As per Actuarial Valuations as on 31st March, 2015 and recognized in the financial statements in respect on Employee Benefit Schemes.

Actuarial Assumptions	31.03.2015		31.03.2014	
	Gratuity (unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Discount Rate	8.0%	8.0%	8.0%	8.0%
Future Salary Rise	7%	7%	5%	5%
Rate of Return Plans assets	N.A.	N.A.	N.A.	N.A.
Mortality Table	Ultimate 2006-2008	Ultimate 2006-2008	Ultimate 2006-2008	Ultimate 2006-2008

(Amt in Rs)

Change in present value of Obligation	31.03.2015		31.03.2014	
	Gratuity (unfunded)	Leave Encashment (Unfunded)	Gratuity (unfunded)	Leave Encashment (Unfunded)
Present Value of Obligation as at 1 st April , 2014	69,59,265	18,88,485	57,59,505	14,74,148
Interest Cost	5,56,741	1,51,079	5,75,951	1,47,415
Current Service Cost	5,45,229	3,74,054	4,85,711	3,32,679
Benefit Paid	6,37,193	1,44,773	5,16,509	3,24,905
Actuarial (gain) /loss on obligation	18,92,640	1,35,712	6,54,607	2,59,148
Present value of Obligation as at 31 st March, 2015.	93,16,682	24,04,557	69,59,265	18,88,485

(Amt in Rs)

Change in Fair value of Plans Assets	31.03.2015		31.03.2014	
	Gratuity (unfunded)	Leave Encashment (Unfunded)	Gratuity (unfunded)	Leave Encashment (Unfunded)
Fair Value of plan Assets as at 1 st April ,2014	NIL	NIL	NIL	NIL
Actual Return on plan Assets	NA	NA	NA	NA
Contributions	NA	NA	NA	NA
Benefit Paid	NA	NA	NA	NA
Actuarial gain/(loss) on plan Assets	NA	NA	NA	NA
Fair Value of Plan Assets as at 31 st March , 2015	NIL	NIL	NIL	NIL

(Amt in Rs)

Reconciliation of present value of defined benefit obligation and the fair value of assets	31.03.2015		31.03.2014	
	Gratuity (unfunded)	Leave Encashment (Unfunded)	Gratuity (unfunded)	Leave Encashment (Unfunded)
Present Value of funded Obligation as at 31 st March , 2015	93,16,682	24,04,557	69,59,265	18,88,485
Fair value of plan assets as at 31 st March , 2015	NIL	Nil	NIL	Nil
Unfunded net Liability recognized in balance sheet	93,16,682	24,04,557	69,59,265	14,74,148

(Amount in Rs)

Expensed recognized in profit and Loss account	31.03.2015		31.03.2014	
	Gratuity (unfunded)	Leave Encashment (Unfunded)	Gratuity (unfunded)	Leave Encashment (Unfunded)
Current service cost	5,45,229	3,74,054	4,85,711	3,32,679
Interest Cost	5,56,741	1,51,079	5,75,951	1,47,415
Expected Return on Plan assets				
Net Actuarial (Gain)/Loss recognized in the period	18,92,640	1,35,712	6,54,607	2,59,148
Expenses recognized in the Profit and Loss Account	29,94,610	6,60,845	17,16,269	7,39,242

Experience Adjustment

(Amt in Rs)

A) Gratuity	2014-2015	2013-2014	2012	2011	2010
Defined Benefit Obligation	93,16,682	69,59,265	57,59,505	55,63,679	47,02,125
Fair Value of Planned Assets	NA	NA	NA	NA	NA
(Surplus)/Deficit	NA	NA	NA	NA	NA
Experience Adjustment on Plan Liabilities[(Gain)/Loss]	18,92,640	6,54,607	(1,55,272)	3,11,857	2,77,988
Experience Adjustment on Plan Asset[(Gain)/Loss]	NA	NA	NA	NA	NA
A) Leave Encashment					
Defined Benefit Obligation	24,04,557	18,88,485	14,74,148	13,58,775	10,03,855
Experience Adjustment on Plan Liabilities[(Gain)/Loss]	1,35,712	2,59,148	1,39,699	2,45,191	(6,168)

41. Disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Act, 2006:

The Company has obtained confirmations from suppliers and service providers in earlier years who have registered themselves under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the balance of Principal amount and the Interest due thereon remaining unpaid to supplier registered under Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006 is as below:

(Amt in Rs)

Particular	Principal Amount	Principal Amount (P.Y)	Interest Amount	Interest Amount (P.Y)
Amount	52109	2,51,882	370	2,972

outstanding				
-------------	--	--	--	--

- (i) The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year is –Rs. Nil (Previous Year Rs Nil)
- (ii) The amount of interest due and payable for the period of delay in making payment (where principal has been paid but Interest under MSMED Act 2006 not paid is –Rs. 2370 (Previous Year Rs 2,972)
- (iii) The amount of interest accrued and remaining unpaid at the end of each accounting period is- Rs. 370 (Previous Year Rs 2,972)
- (iv) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are not actually paid to the small enterprise under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006 is – Rs. 370 (Previous Year Rs 2,972)

The above interest has been provided in the books.

The above information is given to the extent available with the Company.

4.2 The figures of the previous period comprise the period of 15 months (January 2013 to March 2014) Thus, figures of current period are for 12 months and hence the same are not comparable last financial year. Previous year/ period figures have been re-grouped/ re-arranged wherever necessary.

For CHOKSHI AND CHOKSHI LLP

Chartered Accountants

Registration number: 101872W/W100045



Mahazaver Patel

Partner

Membership No: 131292

Mumbai

Date: 29/03/2015

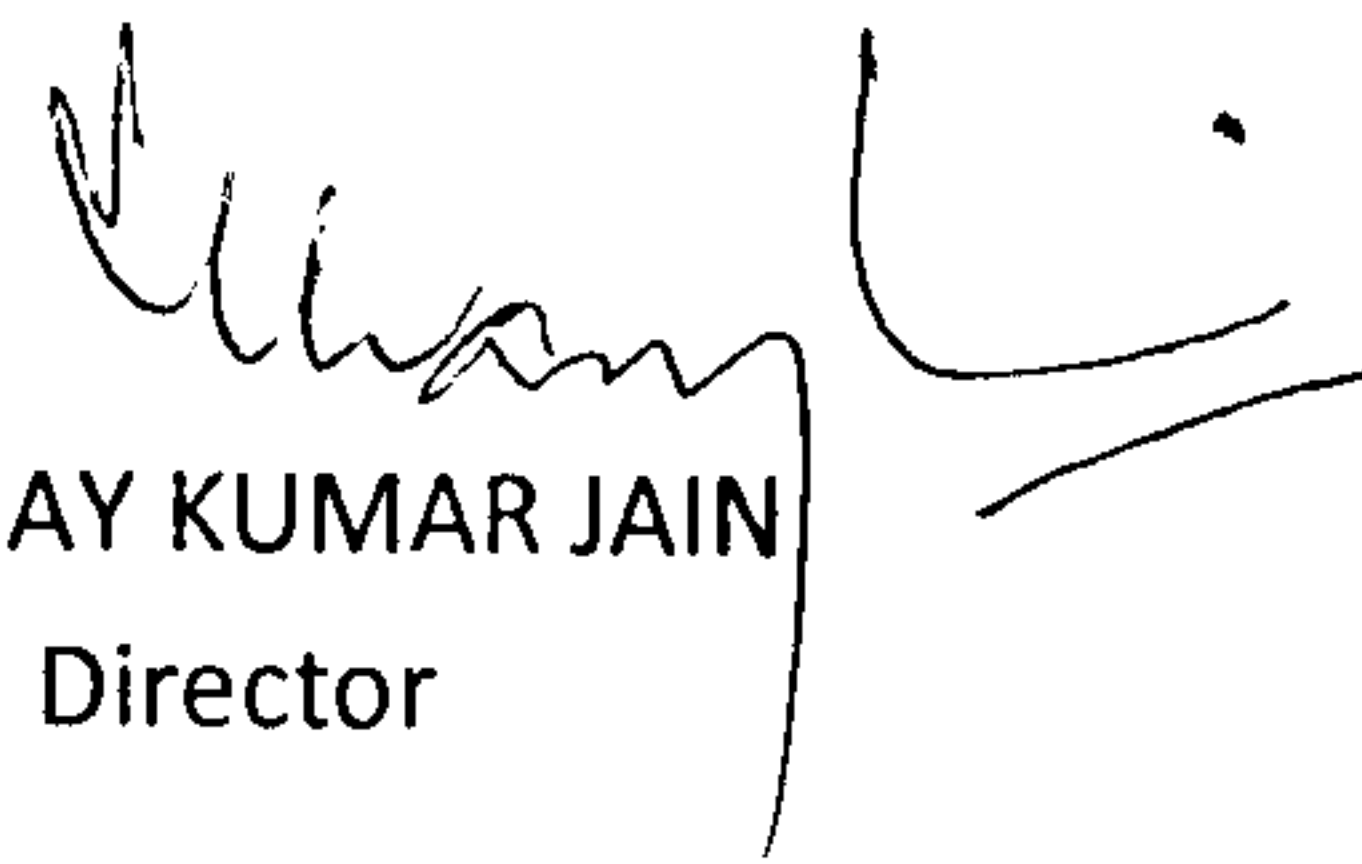
For and on behalf of the board of

NATH INDUSTRIAL CHEMICALS LTD



AKASH KAGLIWAL

Director



ABHAY KUMAR JAIN

Director